

NAVAL POSTGRADUATE SCHOOL

Monterey, California



THESIS

DEFENSE PLANNING AND NATO-EUROPEAN UNION RELATIONS

by

Tas Kelemen

June 2002

Thesis Advisor:
Second Reader:

David S. Yost
Tjarck Roessler

Approved for public release; distribution is unlimited

THIS PAGE INTENTIONALLY LEFT BLANK

REPORT DOCUMENTATION PAGE			<i>Form Approved OMB No. 0704-0188</i>	
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188) Washington DC 20503.				
1. AGENCY USE ONLY (Leave blank)		2. REPORT DATE June 2002	3. REPORT TYPE AND DATES COVERED Master's Thesis	
4. TITLE AND SUBTITLE: Defense Planning and NATO-European Union Relations			5. FUNDING NUMBERS	
6. AUTHOR(S) Tas Kelemen				
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Naval Postgraduate School Monterey, CA 93943-5000			8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING /MONITORING AGENCY NAME(S) AND ADDRESS(ES) N/A			10. SPONSORING/MONITORING AGENCY REPORT NUMBER	
11. SUPPLEMENTARY NOTES The views expressed in this thesis are those of the author and do not reflect the official policy or position of the Department of Defense or the U.S. Government.				
12a. DISTRIBUTION / AVAILABILITY STATEMENT Approved for public release; distribution is unlimited			12b. DISTRIBUTION CODE	
13. ABSTRACT (maximum 200 words) This thesis analyzes the emerging security role of the European Union (EU) by focusing on the prospects for multilateral defense planning in the NATO-EU relationship. The EU's recent decisions about defense planning may well play a crucial role because the arrangements in this area will influence the future of both the European Union's European Security and Defense Policy (ESDP) and NATO. The successful harmonization of defense planning by NATO and the EU could strengthen the transatlantic relationship, while failure could be damaging to both institutions and to their mutual relations. According to recent EU documents, the European Union's defense planning activity will be limited and therefore it will not have a major impact on NATO's decision-making and defense planning process. The cooperation between EU and NATO experts might have positive effects, notably in promoting more efficient use of scarce European resources and in providing transparency between the Alliance and the European Union. However, the ESDP appears unlikely to persuade the European Union nations to increase their defense budgets. It will therefore probably not be able to narrow the significant capability gap between the United States and its European allies.				
14. SUBJECT TERMS Defense Planning, ESDP, NATO, EU			15. NUMBER OF PAGES 84	
			16. PRICE CODE	
17. SECURITY CLASSIFICATION OF REPORT Unclassified	18. SECURITY CLASSIFICATION OF THIS PAGE Unclassified	19. SECURITY CLASSIFICATION OF ABSTRACT Unclassified	20. LIMITATION OF ABSTRACT UL	

NSN 7540-01-280-5500

Standard Form 298 (Rev. 2-89)
Prescribed by ANSI Std. Z39-18

THIS PAGE INTENTIONALLY LEFT BLANK

Approved for public release; Distribution is unlimited

DEFENSE PLANNING AND NATO-EUROPEAN UNION RELATION

Tas Kelemen
Hungarian Ministry of Defense
M.A., University of Miskolc, 1996

Submitted in partial fulfillment of the
requirements for the degree of

MASTER OF ARTS IN NATIONAL SECURITY AFFAIRS

from the

NAVAL POSTGRADUATE SCHOOL
June 2002

Author: Tas Kelemen

Approved by: David S. Yost,
Thesis Advisor

Tjarck Roessler,
Second Reader

James W. Wirtz,
Chairman, Department of National Security Affairs

THIS PAGE INTENTIONALLY LEFT BLANK

ABSTRACT

This thesis analyzes the emerging security role of the European Union (EU) by focusing on the prospects for multilateral defense planning in the NATO-EU relationship. The EU's recent decisions about defense planning may well play a crucial role because the arrangements in this area will influence the future of both the European Union's European Security and Defense Policy (ESDP) and NATO. The successful harmonization of defense planning by NATO and the EU could strengthen the transatlantic relationship, while failure could be damaging to both institutions and to their mutual relations. According to recent EU documents, the European Union's defense planning activity will be limited and therefore it will not have a major impact on NATO's decision-making and defense planning process. The cooperation between EU and NATO experts might have positive effects, notably in promoting more efficient use of scarce European resources and in providing transparency between the Alliance and the European Union. However, the ESDP appears unlikely to persuade the European Union nations to increase their defense budgets. It will therefore probably not be able to narrow the significant capability gap between the United States and its European allies.

THIS PAGE INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

I. INTRODUCTION	1
A. RESEARCH QUESTIONS	1
B. IMPORTANCE OF DEFENSE PLANNING.....	1
C. THE DEVELOPMENT OF DEFENSE PLANNING.....	2
D. METHODOLOGY.....	6
II. NATO DEFENSE PLANNING DURING THE COLD WAR	7
A. THE EVOLUTION OF NATO’S DEFENSE PLANNING	7
B. MILITARY BUILDUP	11
C. THE EUROPEAN DEFENSE COMMUNITY.....	13
D. NUCLEAR STRATEGY.....	14
E. WHAT WENT WRONG?	16
III. NATO’S ESDI AND THE EUROPEAN UNION’S ESDP	19
A. FROM ESDI TO ESDP	19
B. NATIONAL POSITIONS.....	24
C. NON-EU NATO MEMBERS.....	29
IV. EU-NATO DEFENSE PLANNING	35
A. NEW EU STRUCTURE.....	35
B. THE EU’S INSTITUTIONAL RELATIONSHIP WITH NATO.....	38
C. DEFENSE PLANNING IN THE EU	41
1. Military Strategic Planning Outside Times of Crisis.....	41
2. Military Strategic Planning in Times of Crisis.....	42
3. Force Planning	45
V. THE ESDP’S MAJOR CHALLENGES	51
A. LACK OF AN EU STRATEGIC CONCEPT	51
B. EUROPEAN DEFENSE BUDGETS.	54
C. CAPABILITIES	59
VI. CONCLUSION	65
INITIAL DISTRIBUTION LIST	69

THIS PAGE INTENTIONALLY LEFT BLANK

LIST OF TABLES

Table 1.	Force Pledges of the EU member nations, at the November 2000 EU Capabilities Commitment Conference	47
Table 2.	Defence budgets and procurement spending in West European NATO members and the United States, 1995-99.	55-56

THIS PAGE INTENTIONALLY LEFT BLANK

ACKNOWLEDGMENTS

The author would like to thank Professor David Yost for his guidance and his endless patience in reviewing the drafts. He also wishes to thank Professor Tjarck Roessler for his insightful comments.

THIS PAGE INTENTIONALLY LEFT BLANK

I. INTRODUCTION

A. RESEARCH QUESTIONS

In the last decade the European Union (EU) has made enormous progress in the field of economic and monetary union. It now intends to pursue its Common Foreign and Security Policy (CFSP), including the European Security and Defence Policy (ESDP). The purpose of this thesis is to analyze the EU's emerging security role by focusing on the prospects for multilateral defense planning in the NATO-EU relationship. The key questions examined in this thesis can be organized in three major groups:

1. What role did integrated military planning play in NATO during the Cold War? How did it contribute to the security of the continent? How has it evolved since the Cold War?
2. What is the current role of defense planning in the EU's ESDP? How do the EU nations plan to pursue multinational defense planning? What is the EU's political-military structure and how might this affect NATO's planning and NATO-EU interactions?
3. What are the key national positions? What are the major obstacles to effective NATO-EU cooperation? How does the EU intend to surmount them?

B. IMPORTANCE OF DEFENSE PLANNING

Defense planning is crucial in multinational security organizations because it enables the member nations to work together effectively in military operations. The coordination of the plans for the acquisition and improvement of military capabilities among the NATO nations dates back to the early 1950s. Over the last fifty years NATO's collective defense planning arrangements have proved to be an effective tool in establishing the Alliance's military power.

The European Union's involvement in defense planning is much more recent. In December 1999, the participants in the European Council at Helsinki declared the need for a rapid reaction military capability for the European Union, the so-called "headline

goal,” and also established collective capability goals. The European Union’s recent involvement in defense planning may well play a crucial role because the arrangements in this area will influence the future of both the European Union’s European Security and Defense Policy (ESDP) and NATO. The successful harmonization of defense planning by NATO and the EU could strengthen the transatlantic relationship, while failure could be damaging to both institutions and to their mutual relations. This failure could in turn undermine their ability to protect and advance their shared security interests.

C. THE DEVELOPMENT OF DEFENSE PLANNING

The U.S. security guarantee provided by the North Atlantic Treaty in 1949 was mostly political in nature. The Alliance was based on America’s commitments to the security of its allies. In the early years, the Alliance had no integrated standing forces, and its initial defense plans were framed in general terms. In addition, it lacked the capability to mobilize against a Soviet attack. Although the building of the military infrastructure started in the early 1950s, it was the Korean War that dramatically changed the situation and led the Allies to transform NATO into a formal political-military organization with a standing military command and international staff.¹

Planners in NATO’s integrated military system developed a sophisticated force planning mechanism, primarily to coordinate national defense plans and thereby enable the Alliance to meet its political goals. The integrated system harmonized national and collective defense planning, encouraged interoperability among forces, and promoted efficiency in multilateral military operations. Over time, defense planning became a core function of NATO and had a far-reaching political effect on the evolution of Western Europe. NATO’s multilateral planning process, based on transparency and consultation among the members, enabled the Western European allies to focus on economic recovery and to avoid costly independent national military buildups.² This contributed enormously to the reconciliation between France and Germany.

¹ Lawrence S. Kaplan, *The Long Entanglement, NATO’s First Fifty Years* (Westport: Praeger, 1999), p. 62.

² Sean Kay, *NATO and the Future of European Security* (Lanham: Rowman and Littlefield Publishers, Inc., 1998), pp. 39-40.

Although U.S. involvement in the multilateral defense planning has given NATO credibility, the system has failed to ensure balanced burden-sharing and has reflected a US-dominated military posture. Despite continuous NATO efforts since the 1950s, the capability gap between the European and American allies has continued to grow. NATO's air campaign in the Kosovo conflict in 1999 drew attention to this capability gap, and led prominent Europeans to call for improvements in the military capabilities of the European Union countries.

Under the security umbrella provided by NATO, the integration of Europe has made enormous progress in almost every respect, except for military security affairs. Europe, and this means especially the integrated organizational framework known as the EU has failed to cope effectively with local and limited conflicts on its periphery. Owing in part to the impetus of the Kosovo experience in 1998-1999, the EU has since mid-1999 repeatedly reaffirmed its intention to play a stronger role in security matters. As the NATO Secretary General, Lord Robertson, stated in his November 2000 speech in Istanbul, "It should be possible now for this ESDP to finally rectify the deficiencies that have plagued both NATO and the EU for years: the asymmetry in the military capabilities between the US and Europe, and the lack of an effective and workable European crisis management role in cases where NATO as a whole was not engaged."³

The Treaty on European Union (TEU) established a Common Foreign and Security Policy as the second pillar of the European Union. The Maastricht version of the TEU, the first in what has become a series of TEUs, entered into force in November 1993. It declared that among the Common Foreign and Security Policy (CFSP) objectives of the Union will be "to preserve peace and strengthen international security, in accordance with the principles of the United Nations Charter, as well as the principles of the Helsinki Final Act and the objectives of the Paris Charter, including those on external borders."⁴

³ Speech by NATO Secretary General, Lord Robertson "Turkey and a European Security and Defence Identity," Istanbul, Turkey 23 November 2000. available at: <http://www.nato.int/docu/speech/2000/s001123a.htm>

⁴ Title V, Article 11 European Union. Consolidated Version of the Treaty on European Union. available at: http://europa.eu.int/eur-lex/en/treaties/dat/eu_cons_treaty_en.pdf

However, in the absence of a common policy the EU failed to cope effectively with the crises in the Balkans in the 1990s. In order to promote the development of a common policy the Amsterdam Treaty, which was formulated in 1997 and entered into force in 1999, incorporated the Western European Union (WEU) “Petersberg tasks” (“humanitarian and rescue tasks; peacekeeping tasks; [and] tasks of combat forces in crisis management, including peacemaking”)⁵ into the TEU and established the position of a High Representative for the CFSP.⁶ The new TEU provided a legal basis for the EU to conduct “Petersberg tasks”-type military actions, but there is scarcely anything specific in the Treaty as to how the EU will achieve this in practice. Additionally, in referring to “the progressive framing of a common defence policy...which might lead to a common defence,”⁷ the text is heavily loaded with conditionality. It was not until the British-French Summit of 3-4 December 1998 in Saint Malo that an initiative was taken to fulfill the military security ambitions of the CFSP.

In their Joint Declaration at the British-French Summit in Saint Malo, London and Paris agreed that “the Union must have the capacity for autonomous action, backed up by credible military forces, the means to decide to use them, and a readiness to do so, in order to respond to international crises.” It was also envisaged that “the Union must be given appropriate structures and a capacity for analysis of situations, sources of intelligence, and a capability for relevant strategic planning, without unnecessary duplication.”⁸

The Cologne European Council (3-4 June 1999) responded to the Saint Malo initiative with specific practical decisions. This time it was the European Union as a whole that acknowledged the need for a capacity for autonomous action. The Presidency

⁵ WEU Council of Ministers, Petersberg Declaration, II. On strengthening WEU’s operational role para 4. Bonn 19 June 1992. available at: <http://www.weu.int/eng/comm/92-petersberg.htm>

⁶ “Articles 13 and 17 contain the major changes: in particular, the European Council’s guidelines for the CFSP ‘shall obtain in respect of WEU for those matters for which the Union avails itself of the WEU’; and the Petersberg tasks were incorporated into the EU Treaty.” Fact Sheet entitled “WEU and the European Union,” available at: <http://www.weu.int/eng/info/eu.html>

⁷ Title V, Article 17, Consolidated Version of the Treaty on European Union. available at http://europa.eu.int/eur-lex/en/treaties/dat/eu_cons_treaty_en.pdf

⁸ Joint Declaration, British-French summit Saint Malo, 3-4 December. 1998. in Maartje Rutten, ed., *From St-Malo to Nice, European Defence: core documents* (Paris: Institute for Security Studies of WEU, 2001), pp. 8-9. available at: <http://www.weu.int/institute/chaillot/cha147e.pdf>

Report for the Council (in the Annex on ESDP) outlined in general terms the guiding principles, the decision-making process, the implementation options and the modalities of participation and cooperation.⁹ The endorsement of the Declaration of the European Council and the Presidency Report on strengthening the common European policy on security and defense in Cologne had also been encouraged, quite explicitly, at the April 1999 NATO summit in Washington, just two months before the Cologne meeting. In its summit communiqué NATO granted the EU what it had not yet asked for:

“we therefore stand ready to define and adopt the necessary arrangements for ready access by the European Union to the collective assets and capabilities of the Alliance, for operations in which the Alliance as a whole is not engaged militarily as an Alliance. The Council in Permanent Session will approve these arrangements, which will respect the requirements of NATO operations and the coherence of its command structure.”¹⁰

The European Council on 10-11 December 1999 in Helsinki agreed on the headline force goals, declaring the need for “military forces of up to 50,000-60,000 persons capable of the full range of Petersberg tasks,”¹¹ deployable within 60 days and capable of being sustained for at least one year. The Capabilities Commitment Conference on 20-21 November 2000 in Brussels drew “together the specific national commitments corresponding to the military capability goals set by the Helsinki European Council.”¹²

The European Council in Nice in December 2000 approved all the texts on ESDP and endorsed the establishment of the permanent political and military structures of the European Union.¹³ In December 2001 the European Council meeting in Laeken declared that the “EU is now able to conduct some crisis-management operations” and indicated

⁹ Presidency Conclusions, European Council, Cologne, 3-4 June 1999. in Maartje Rutten, ed., *From St-Malo to Nice*, pp. 41-45.

¹⁰ NATO Washington Summit communiqué, Washington, D.C., 24 April 1999, para. 10.

¹¹ Presidency Conclusions, European Council, Helsinki, 10-11 December 1999, para. 28, in Maartje Rutten, ed., *From St-Malo to Nice*, p. 82.

¹² Capabilities Commitment Declaration, Brussels, 20-21 November 2000, para. 3, in Maartje Rutten, ed., *From St-Malo to Nice*, p. 159.

¹³ Presidency Conclusions, European Council, Nice, 7-9 December 2000, Annex VI. in Maartje Rutten ed., *From St-Malo to Nice*, p. 168.

that the EU will be able to undertake “more demanding operations, as the assets and capabilities at its disposal continue to develop.”¹⁴

D. METHODOLOGY

The thesis is based on the analysis of primary and secondary sources. The primary sources include official EU and NATO documents and treaties, official speeches by representatives of the EU and NATO, as well as American and European government officials. Secondary sources consist of analytical studies, such as the Chaillot Papers and RAND reports, and articles published in daily papers and other periodicals dealing with security issues.

The thesis is organized in the following manner. Chapter II examines NATO’s integrated military force planning structure and process as well as its role in providing security. Chapter III reviews NATO and EU efforts to improve the military capabilities of the members of NATO and the European Union, as well as the attempts of the European NATO allies and the EU to play more significant roles in security matters from the 1990s to the present. Chapter IV analyzes the EU’s newly established security structure and the NATO-EU common planning process. Chapter V examines the ESDP’s key problems, including the capability gap between the American and European allies and budgetary issues. Chapter VI offers conclusions.

¹⁴ Declaration on the Operational Capability of the Common European Security and Defence Policy, European Council, Laeken, 14-15 December 2001, Annex II p. 10. available at: The European Treaties, http://www.europa.int/abc_en.htm

II. NATO DEFENSE PLANNING DURING THE COLD WAR

This chapter begins by exploring the roots of NATO's multinational defense planning and its impact on European security. In the beginning NATO did not have an integrated military structure. Collective defense planning among the allied countries was the result of the growing Soviet threat. When the European nations failed to create a European army in the early 1950s, NATO remained the dominant institution in security matters in Western Europe. Over time NATO's integrated military planning system had a far-reaching political effect by providing security for Western Europe's economic recovery and promoting reconciliation among former adversaries. This chapter also examines why defense planning has failed to establish balanced burden-sharing between the American and the European allied nations.

A. THE EVOLUTION OF NATO'S DEFENSE PLANNING

The idea of an integrated military structure and force planning process was not the result of the early years of the Cold War. Its roots go back to the Anglo-American partnership during the Second World War. In order to secure the flow of war materiel, equipment and ammunition across the Atlantic Ocean as well as to achieve victory over Nazi Germany the Americans and the British had to harmonize their military actions. Canada, the United Kingdom, and the United States formed a combined command capable of joint operations. In spite of the deep differences in their strategic policies,¹⁵ military doctrines and weapon systems, the three nations managed to focus on a common goal. Over time the Western Allies became skilled at combined planning, and the wartime experience provided a solid basis for NATO's integrated military structure.¹⁶

¹⁵ The best known debate between the Allies was about the opening of the Second Front. According to Charlton's account, "it was at Teheran that Churchill's long-argued preference for an Anglo-American invasion into the Balkans, into 'the soft underbelly of Europe', was finally dismissed by the American Chiefs of Staff in favour of the Second Front in Normandy." Michael Charlton, *The Eagle and the Small Birds* (Chicago: University of Chicago Press, 1984), p. 39. Had Churchill's proposal been accepted in 1943, the post-war situation would have been different in various ways.

¹⁶ Richard L. Kugler, *Commitment to Purpose, How Alliance Partnership Won the Cold War* (Santa Monica: RAND, 1993), pp. 20-23.

By early 1946, it became clear that the Soviets were pushing a course of communist imperialism. The failure of the Four Power talks in Moscow in 1947 over the future of Germany and Austria put an end to the collaboration of the erstwhile allied powers. A new threat emerged in the war-torn European continent: the Soviets were poised for invasion.¹⁷

The premature demobilization of Western Europe left the remaining forces ill-prepared to defend against Soviet aggression. The British, French, and U.S. occupation forces that remained in Germany were small in number and located in areas of Germany that were difficult to defend in operational terms. The situation was so desperate that the post-war American defense plan concerning Europe called “HALFMOON,” published in July 1948, predicted a sweeping Soviet victory in the near future. According to the “HALFMOON” plan, Central Europe was indefensible. The plan envisioned a two-phase war: total evacuation of U.S. military forces from continental Europe in the first phase and a massive counterattack from the United Kingdom and the Mediterranean region about 12 months later in the second phase.¹⁸

In March 1948 the United Kingdom, France and the Benelux countries established the Western Union to promote their cultural, social, economic and military ties. Article IV of the Brussels Treaty declared that “If any of the High Contracting Parties should be the object of an armed attack in Europe, the other High Contracting Parties will, in accordance with the provisions of Article 51 of the Charter of the United Nations, afford the Party so attacked all the military and other aid and assistance in their power.”¹⁹ However, it was obvious to the Western Union’s member states that they would be unable to cope with a Soviet attack without American assistance. The European leaders’ objective was to convince the United States to support the Western Union.

After the announcement of the Truman Doctrine on 12 March 1947 the United States expressed greater determination to contain the further expansion of Communism and to promote European recovery. The Marshall Plan (officially called the European

¹⁷ Henry Kissinger, *Diplomacy* (New York: Touchstone, 1994), p. 447.

¹⁸ Kugler, *Commitment to Purpose*, pp. 30-38.

¹⁹ Treaty of Economic, Social and Cultural Collaboration and Collective Self-Defence, Article IV, Brussels, 17 March 1948. available at: <http://www.w eu.int/eng/docu/d480317a.htm>

Recovery Program, or ERP) allocated \$13 billion for economic assistance in November 1947.²⁰ The United States declined, however, to join the Brussels Pact. The main reason was well articulated in the State Department Working Group's study in August 1948: "The United States could not constitutionally enter into any Treaty which would provide that the United States would be automatically at war as a result of an event occurring outside its borders or by vote of other countries without its concurrence."²¹

The North Atlantic Treaty signed on 4 April 1949 contained several key provisions. Similar to the Brussels Treaty in some respects, the new treaty stipulated burden sharing (the reference to "self help and mutual aid" in Article 3) as well as permanent consultation obligations among the member nations (Article 4). Article 5 provided the security guaranty, although it committed each Ally only to take "individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force."²² In this way the Treaty authorized the individual nations to make the final decision: any kind of response or military help "would not necessarily be automatic."²³ In spite of the U.S.-preferred wording of Article 5, the Europeans achieved their major objective: they succeeded in the entanglement of the United States in the security of Europe. The Treaty also gave a green light to \$1.45 billion in U.S. military aid for the new allied nations.²⁴

The U.S. security guarantee provided by the North Atlantic Treaty in 1949 was mostly political in nature. The Alliance was based on America's commitments to the security of its allies. Article 9 of the North Atlantic Treaty established a Council to provide a forum "to consider matters concerning the implementation of this Treaty."²⁵ At the first Council meeting in September 1949 the Foreign Ministers of the NATO nations agreed to meet on an ad hoc basis "annually but convene more frequently if

²⁰ Kugler, *Commitment to Purpose*, p. 27.

²¹ Kaplan, p. 16.

²² The North Atlantic Treaty, Washington, D.C., 4 April 1949. Article 5.

²³ Sean Kay, p. 33.

²⁴ Kugler, *Commitment to Purpose*, p.49.

²⁵ The North Atlantic Treaty, Article 9

circumstances so required.”²⁶ At the foundation NATO had neither integrated standing forces, nor a defense plan. In addition, it lacked the capability to mobilize against a Soviet attack.²⁷

In accordance with Article 9 the Council established a Defence Committee, composed of the Allies’ defense ministers, as well as a Military Committee composed of the chiefs of defense and general staff. Weeks after the signature of the Washington Treaty the Western Union Defense Organization delegated its defense responsibilities to NATO and its structure merged into the fledgling NATO institutions. However, it was the outbreak of the Korean War in June 1950 that dramatically changed the situation and led the Allies to transform NATO into a formal political-military organization with a standing military command and international staff.²⁸

The U.S. administration was convinced that the North Korean aggression was a Soviet stratagem and that Moscow was also willing to use force to achieve its goals in Western Europe. The NSC 68 study, prepared by the State Department in early 1950, transformed the policy of containment into a global doctrine. The study argued that the Soviet Union posed an uncompromising and growing threat to the West. To contain the Red Army in Europe NSC 68 called for a massive military buildup, including more U.S. troops in Europe, integrated military planning and German rearmament.²⁹

At the New York NAC meeting in September 1950 U.S. Secretary of State Dean G. Acheson proposed that the NATO allies establish an integrated force, consisting of units contributed by the NATO nations and Germany under centralized command and control. The NATO foreign ministers approved the plan with the exception of German participation. At the following meeting the Council unanimously “asked the President of the United States to make available General of the Army Dwight D. Eisenhower to serve

²⁶ NATO Fact sheets: The Origins of the North Atlantic Council and the Role of Summit Meetings in NATO’s History available at: www.nato.int/docu/facts/2000/origin.htm

²⁷ Kay, p. 35.

²⁸ Kaplan, p. 62.

²⁹ John S. Duffield, *Power Rules: The Evolution of NATO’s Conventional Force Structure* (Stanford: Stanford University Press, 1995), p. 35.

as a Supreme Commander,”³⁰ and Field Marshal Bernard Montgomery from Britain was appointed Deputy SACEUR.

As the Supreme Allied Commander Europe (SACEUR) General Eisenhower had “the authority to train the national units assigned to his command and to organize them into an effective integrated defense force.”³¹ General Eisenhower established military headquarters (Supreme Headquarters Allied Powers Europe, or SHAPE) for Allied Command Europe and appointed his wartime comrade, General Alfred Gruenther, as his Chief of Staff.³² Shortly afterwards the civilian International Staff was also established and Lord Ismay of the United Kingdom was named NATO’s first Secretary General. In 1952 the North Atlantic Council meeting in Lisbon transformed the NAC into a permanent body, with permanent representatives, chaired by the Secretary General. By the end of 1952 the development of the fully integrated civilian and military structure made NATO a standing collective defense organization in peacetime without precedent in international history.

B. MILITARY BUILDUP

In 1948 the United States started to modify its military planning with European contingencies in mind. However, the integrated military planning in NATO started only in the summer of 1949. The new American plan called “OFFTACKLE” assumed a global Soviet attack: but it predicted that the Soviets would be unable to attack in strength everywhere at once, and that this would provide some flexibility for Alliance forces in Europe. The plan recognized that NATO troops might be driven back from the Rhine. However, unlike the HALFMOON plan, it did not project the complete evacuation of U.S. forces from Europe.³³

At the same time the Western Union planning staff led by General Montgomery put much more emphasis on defending the European mainland and called for strategic

30 Final Communiqué, Brussels: 18-19. December 1950. available at: www.nato.int/docu/comm/49-95/c501219a.htm

31 Ibid.

32 Fact Sheet entitled “The Origin of Shape,” available at: www.shape.nato.int/History.htm

33 Kugler, Commitment to Purpose, p. 42.

bombardment of the Soviet Union. The Brussels Pact countries adopted the so-called “as far forward as possible” strategy, which envisaged initial efforts to defend the Rhine and a military buildup that would permit moving the defense line further east in West Germany. Combining the American and European ideas, NATO’s MC 14/1 strategic guidance recognized the Alliance’s force limitations and focused on the defense of the Rhine, but it called for a forward defense of West Germany within the next five years. Although the MC 14/1 strategic guidance relied heavily on American strategic bombardment, including nuclear weapons, the forward defense component of the strategy was achievable only if NATO significantly strengthened its ground posture.³⁴

In this spirit at Lisbon in 1952 the North Atlantic Council took decisions providing for “the earliest building up of balanced collective forces to meet the requirements of external security.”³⁵ The NAC endorsed “the most ambitious force goals of NATO’s history: 50 divisions, 4,000 aircraft, and 704 major combatant vessels in 1952.”³⁶ In the next two years the integrated European NATO forces were supposed to comprise 96 divisions, with 35 to 40 to be combat ready and the rest as reserve units, and 9,000 aircraft. In spite of great skepticism concerning the prospects for the plan, NATO made considerable progress in its efforts to meet the goals. Despite the demands of their other national priorities, NATO nations increased their defense budgets and pursued ambitious rearmament programs. The 25 standing NATO divisions and the major investments in communication and supply facilities enabled the Alliance to strengthen its posture for deterrence and defense. However, the NATO military posture never met the objectives declared in the Lisbon agreement and remained insufficient to withstand a major Soviet assault. As early as 1953 the Allies concluded that the Lisbon goals were too ambitious and agreed to modify them.³⁷

³⁴ Richard L. Kugler, *Laying the foundations: The Evolution of NATO in the 1950s* (Santa Monica: RAND Note, 1990), p. 55.

³⁵ Final Communiqué, Lisbon: 20-25 February 1952. para 4. available at: www.nato.int/docu/comm/49-95/c520225a.htm.

³⁶ Robert E. Osgood, *NATO, The Entangling Alliance* (Chicago: University of Chicago Press, 1963), p. 87.

³⁷ *Ibid.*, pp. 88-90.

C. THE EUROPEAN DEFENSE COMMUNITY

The Lisbon goals also called for the deployment of 12 West German divisions. The idea of establishing national military forces in the Federal Republic of Germany (FRG) dates back to 1948 when Pentagon officers realized that security in Europe required a German military contribution. As General Eisenhower stated in his first report as SACEUR, “there is little hope for the economical long-term attainment of security and stability in Europe unless West Germany can be counted on the side of the free nations.”³⁸ Owing to the lack of political support from the other Allies and West German reluctance, it seemed to be impossible to establish West German military forces in the near future. By 1952, however, the situation had changed tremendously. Thanks to its energetic economic recovery and the creation of democratic institutions, West Germany was prepared to demonstrate its support for the common values of the West.

The Pleven Plan was the next serious attempt to include the FRG in the transatlantic security structure after the failure of the U.S. initiative at the 1950 meeting of the NAC in New York. Rejecting the U.S. proposal to include German units of up to division strength in NATO, the French government formulated a proposal announced by Prime Minister René Pleven. The French plan called for the creation of a European Defence Community (EDC), which would have constituted an all-European military force containing small German units. The European army would have developed common equipment and infrastructures as well as its own integrated command staff, under SACEUR’s control.³⁹

The plan was embodied in the EDC Treaty in 1952. After an intense debate the EDC Treaty was ratified by Belgium, Luxembourg and the Netherlands. West Germany also ratified the treaty in 1953.⁴⁰ By contrast, the emerging nationalism in France and the growing French military commitments overseas delayed decisions in Paris about the EDC Treaty. The Treaty languished until August 1954, when the French National Assembly,

³⁸ Eisenhower quoted in *ibid.*, p. 91.

³⁹ Jeffrey Simon and Sean Kay, “The New NATO,” in Roland Tiersky, ed., *Europe Today* (Lanham: Rowman and Littlefield Publishers, Inc. 1999), p. 383.

⁴⁰ Edward Fursdon, *The European Defence Community: A History* (New York: St. Martin’s Press, 1980), pp. 246-247.

acting on a procedural motion, chose not to debate or vote on it.⁴¹ Had the EDC plan been accepted, the defense component would have been an organic part of the European integration process from the beginning.

The failure of the EDC led British Foreign Minister Anthony Eden, with U.S. support, to propose a new arrangement for the FRG's membership in NATO. The British plan turned back to the original American plan by abandoning the idea of a separate European army and by suggesting the further integration of national forces under a strengthened SACEUR. The London and Paris Agreements of 1954 provided for Bonn's accession to both the Washington Treaty and the amended Brussels Treaty, which created the Western European Union (WEU). The FRG accepted many constraints on its conventional military forces and pledged not to produce nuclear, chemical or biological weapons on its soil, nor to set up a General Staff. The WEU's main function was the monitoring of the constraints upon West Germany, and an arms control agency was created in Paris for this purpose. In order to calm French concerns about Germany's potential power, the United States and the United Kingdom promised to station large numbers of forces in Germany as long as necessary.⁴²

D. NUCLEAR STRATEGY

Nuclear weapons have been integral to NATO military strategy from the outset. However, while MC 14/1 assumed that nuclear weapons had been incorporated into NATO's defense posture, the concept relied primarily on conventional forces. The situation began to change in the mid-1950s as it became obvious that the European nations would not meet the modified Lisbon goals and that the U.S. defense budget was also facing cutbacks. Nuclear weapons were considered cheap and powerful, and therefore ideal instruments for maintaining a strong deterrence posture.⁴³

President Eisenhower considered nuclear weapons a partial solution for Western defense problems. According to President Eisenhower's "New Look" vision, Europe

⁴¹ Ibid., pp. 295-297.

⁴² Ibid., p. 70.

⁴³ Ibid., pp. 76-77.

could be defended even with numerically inferior conventional forces backed by massive air attacks at the outset of the war. In a discussion with military leaders about the potential course of a war in 1954, the President was reported to have stated that “The Soviets will, however, have great trouble maintaining an offense. He indicated his firm intention to launch a strategic air force immediately in case of actual attack. He stressed that a major war will be an atomic war.”⁴⁴

The new American strategy of “Massive Retaliation” had been introduced on January 12, 1954, by Secretary of State John Foster Dulles, who said that the United States would obtain the “maximum deterrent at a bearable cost.” Dulles said that this deterrence would “depend primarily upon a great capacity to retaliate, instantly, by means and at places of our choosing.”⁴⁵ In November 1954 NATO also endorsed the concept of “Massive Retaliation” in its new MC-48 strategy, which predicted two phases in a potential future war. The initial phase would start with atomic strikes by both sides in efforts to achieve strategic advantage. The “subsequent phase would consist of a period of readjustment and follow-up leading to a conclusion of the war.”⁴⁶ MC-48 declared that “our peacetime force pattern must be designed primarily to achieve success during this initial phase and emphasis must be placed upon development of the forces which can participate most effectively in these operations.”⁴⁷ Accordingly, the nuclearization of the major NATO European armies, including the Bundeswehr, took place in the late 1950s.

Although President Eisenhower’s main goal was to develop NATO Europe into an effective power bloc that enabled the U.S. to “sit back and relax somewhat,”⁴⁸ the nuclearization of the NATO European military forces nations had the opposite effect. Owing to reliance on the U.S. nuclear umbrella, the readiness of the NATO European conventional forces tended to stagnate during the 1960s and 1970s. According to the

⁴⁴ Report of President Eisenhower’s comments quoted in Marc Trachtenberg, “The Nuclearization of NATO and U.S.-West European Relations,” in Francis H. Heller and John R. Gillingham, ed., *NATO: The Founding of the Atlantic Alliance and the Integration of Europe* (New York: St. Martin’s Press, 1992), p. 420.

⁴⁵ Osgood, p. 103.

⁴⁶ North Atlantic Military Committee Decision on MC-48, NATO Strategic Documents 1949-1969, p. 235. available at: www.nato.int/docu/stratdoc/eng/a541122a.pdf

⁴⁷ Ibid.

⁴⁸ Eisenhower statement at NSC meeting, 21 November 1955, quoted in Trachtenber, p. 422.

Subcommittee on NATO Standardization, Interoperability and Readiness (U.S. House of Representatives) report in 1979, “The European shortages of ammunition and replacement stocks are critical; evidence available to the subcommittee suggests that European forces will begin to run out of equipment and ammunition in a matter of days rather than weeks or months.”⁴⁹

In an article in 1982 NATO’s SACEUR, General Bernard W. Rogers, used a much more moderate tone. The SACEUR drew attention to European efforts by saying that “in the 1970s European spending for defense increased at a rate of two percent per year while American spending decreased by nearly that figure.”⁵⁰ General Rogers placed more emphasis on the qualitative rather than the quantitative improvement of the allied troops. “We do need some increase in numbers of forces to offset Soviet military growth, but far more important to success is the enhancement of our ability to do better with our forces in being and to carry out the essential modernization of those forces.”⁵¹ However, the SACEUR also warned that “NATO’s continuing failure to fulfill its conventional needs means that we now must depend upon the use of theater nuclear weapons to accomplish our missions of deterrence and defense.”⁵²

E. WHAT WENT WRONG?

In the early 1980s Thomas A. Callaghan asserted that NATO had never become a collective force as originally intended. The failure of the EDC in 1954 prevented the Europeans from establishing an effective European army, while the doctrine of massive nuclear retaliation assigned conventional forces a secondary role. Callaghan argued that the Allies were spending the bulk of their military budgets (at that time \$150 billion per year) mainly on national (as opposed to collective) defense. “As a consequence,” he stated, “NATO’s Integrated Military Command today commands almost nothing that is

49 House subcommittee report quoted in Thomas A. Callaghan, Jr., “Nuclear Parity Requires Conventional Parity,” in David S. Yost, ed., *NATO’s Strategic Options: Arms Control and Defense* (New York: Pergamon Press, 1981), p. 184.

50 General Bernard W. Rogers, “The Atlantic Alliance: Prescriptions for a Difficult Decade,” *Foreign Affairs* (Summer 1982), p. 1148.

51 *Ibid.*, p. 1152.

52 *Ibid.*

integrated: neither its tactical doctrine for the defense of Europe; nor its military equipment requirements; nor its weaponry, its ammunition, its repair parts; nor its war reserve 'days of supply'; nor its logistics, its communications, its maintenance, or operational training.”⁵³

Notwithstanding the merits of Callaghan’s argument, it should be noted that defense planning has a political role. Planners in NATO’s integrated military system developed a sophisticated force planning mechanism, primarily in order to coordinate the national defense plans and thereby enable the Alliance to meet its political goals. The integrated system harmonized national and collective defense planning, encouraged interoperability among forces, and promoted efficiency in multilateral military operations. Over time, defense planning became a core function of NATO and had a far-reaching practical effect on the evolution of Allied military postures. NATO’s multilateral planning process, based on transparency and consultation among the members, enabled the Western European allies to focus on economic recovery and to avoid costly national military buildups.⁵⁴

⁵³ Ibid., p. 185.

⁵⁴ Kay, pp. 39-40.

THIS PAGE INTENTIONALLY LEFT BLANK

III. NATO'S ESDI AND THE EUROPEAN UNION'S ESDP

Chapter III examines the evolution of institutional arrangements related to transatlantic security relations during the immediate post-Cold War period. At the beginning of the 1990s the European Union expressed an aspiration to play a larger role in security and defense matters and adopted in the Maastricht Treaty on European Union the principle of pursuing a Common Foreign and Security Policy, not excluding the development of common defense policies and even, in the long term, a common defense. Although NATO has remained the dominant framework in European security matters, the period has been marked by repeated efforts by the EU member nations and the NATO European allies to enhance their role. This process started with the revitalization of the WEU in 1991, which was portrayed as a European pillar within NATO by 1996. Since late 1998 the focus has shifted to the pursuit of autonomous EU military capabilities. The chapter also considers the major national positions concerning these issues.

A. FROM ESDI TO ESDP

Despite a series of conventional force improvement efforts, including the Long – Term Defence Program (LTDP) in the late 1970s and the Conventional Defence Improvement (CDI) initiative in the early 1980s, the capability gap between the European and American forces has continued to grow.⁵⁵ The collapse of the Soviet Union and the dissolution of the Warsaw Pact in 1991 promoted perceptions of decreased collective defense threats in NATO Europe.

However, the permanent tension in the Balkans in the 1990s had a dual effect on the European Union. The EU leaders realized that they ought to harmonize their foreign policies and that an effective military force would be required to support a common policy. In the absence of a common policy the EU failed to cope effectively with limited conflicts on its periphery. This realization led to the establishment of the Common

⁵⁵ David S. Yost. "The NATO Capabilities Gap and the European Union," *Survival*, vol. 42 (Winter 2000-2001), pp. 102-103

Foreign and Security Policy (CFSP) as the second pillar of the Treaty on European Union, which entered into force in November 1993.

The United States was prepared to support cooperation within NATO to improve the military capabilities of the European allies without undermining the transatlantic relationship. The European Security and Defense Identity (or ESDI) was intended to ensure that European efforts to play a greater role in international security would be pursued within the Alliance. NATO's London Declaration in July 1990 mentioned for the first time that the Alliance was prepared to support "the development of a European identity in the domain of security."⁵⁶ However, the ESDI concept lacked an effective institutional framework. In addition to the Western European Union there were (and remain) several bilateral and trilateral efforts among the European Allied nations.⁵⁷

In the beginning the European efforts were focused on the revitalization of the Western European Union. The Petersberg Declaration in June 1992 stipulated that the WEU would serve "as the defence component of the European Union and as the means to strengthen the European pillar of the Atlantic Alliance."⁵⁸ The Declaration also stated that, in addition to collective defense, "military units of WEU member States, acting under the authority of WEU, could be employed for: humanitarian and rescue tasks; peacekeeping tasks; [and] tasks of combat forces in crisis management, including peacemaking."⁵⁹

The NATO Summit of January 1994 in Brussels was a milestone in the history of the Alliance concerning the transatlantic relationship. NATO's heads of state and government welcomed "the entry into force of the Treaty of Maastricht and the launching of the European Union, which will strengthen the European pillar of the Alliance and allow it to make a more coherent contribution to the security of all the Allies."⁶⁰ NATO

⁵⁶ London Declaration on a Transformed North Atlantic Alliance, London, 5-6 July 1990, para. 3. available at: www.nato.int/docu/comm./49-95/c900706a.htm

⁵⁷ David S. Yost, *NATO Transformed: The Alliance's New Roles in International Security* (Washington, D.C.:United States Institute of Peace Press, 2001), pp. 77-78.

⁵⁸ WEU Council of Ministers, Petersberg Declaration, 19 June 1992, II. On Strengthening WEU's Operational Role. available at: www.weu.int/eng/comm/92-petersberg.htm

⁵⁹ Ibid., II.4

⁶⁰ NATO Ministerial Communiqués, Brussels: 10-11 January 1994, para. 3. available at:

leaders also gave their support to the development of the European Security and Defense Identity and to the strengthening of the WEU. In order to deepen further the cooperation between NATO and the WEU, NATO leaders declared their readiness “to make collective assets of the Alliance available, on the basis of consultations in the North Atlantic Council, for WEU operations undertaken by the European Allies in pursuit of their Common Foreign and Security Policy.”⁶¹

The declaration also introduced the noteworthy “separable but not separate”⁶² formula in NATO and endorsed the concept of Combined Joint Task Forces (CJTF) “as a means to facilitate contingency operations, including operations with participating nations outside the Alliance.”⁶³ The CJTF concept was linked to another project launched at the Summit, the Partnership for Peace (PfP). As a result, the CJTF concept was intended not only to support WEU operations but also to enable PfP countries to take part in non-Article 5 operations.

According to a NATO fact sheet, “a Combined Joint Task Forces (CJTF) is a multinational, multi-service deployable task force generated and tailored primarily, but not exclusively, for military operations not involving the defence of Alliance territory, such as humanitarian relief and peacekeeping.”⁶⁴ The CJTF concept played an important role in NATO peacekeeping operations in the Balkans. The concept enabled eighteen non-NATO countries to participate in the Alliance peacekeeping missions in Bosnia, first as part of the Implementation Force (IFOR), beginning in December 1995, and a year later in the Stabilization Force (SFOR).⁶⁵

In June 1996, at the NATO ministerial meeting in Berlin, the allies took a further step in the process of enhancing WEU-NATO relations by making NATO assets

www.nato.int/docu/comm/49-95/c940111a.htm

61 Ibid., para. 6.

62 Ibid.

63 Ibid., para. 9.

64 The Combined Joint Task Forces Concept, NATO Fact sheets, available at: www.nato.int/docu/facts/2000/cjtf-con.htm

65 Yost, NATO Transformed, p. 76.

available for NAC-approved WEU operations. The Berlin communiqué declares, that NATO's

third objective is the development of the European Security and Defence Identity within the Alliance. Taking full advantage of the approved CJTF concept, this identity will be grounded on sound military principles and supported by appropriate military planning and permit the creation of militarily coherent and effective forces capable of operating under the political control and strategic direction of the WEU.

As an essential element of the development of this identity, we will prepare, with the involvement of NATO and the WEU, for WEU-led operations (including planning and exercising of command elements and forces). Such preparations within the Alliance should take into account the participation, including in European command arrangements, of all European Allies if they were so to choose. It will be based on:

- identification, within the Alliance, of the types of separable but not separate capabilities, assets and support assets, as well as, in order to prepare for WEU-led operations, separable but not separate HQs, HQ elements and command positions, that would be required to command and conduct WEU-led operations and which could be made available, subject to decision by the NAC;
- elaboration of appropriate multinational European command arrangements within NATO, consistent with and taking full advantage of the CJTF concept, able to prepare, support, command and conduct the WEU-led operations. This implies double-hatting appropriate personnel within the NATO command structure to perform these functions. Such European command arrangements should be identifiable and the arrangements should be sufficiently well articulated to permit the rapid constitution of a militarily coherent and effective operational force.⁶⁶

The communiqué reflected, among other factors, an agreement between the United States and France. Concerning the mechanism for force planning of the fledgling WEU-based ESDI, France argued for a separate command structure for non-Article 5 missions while the United States insisted on keeping these missions within the NATO

⁶⁶ NATO Ministerial Communiqué, Berlin: 3 June 1996. para. 7., available at: www.nato.int/docu/pr/1996/p96-063e.htm

structure. In the absence of support from other Allies France (at least for the time being) acknowledged that the ESDI would be developed within NATO. In return the United States accepted the possibility that NATO assets could be used in WEU-led operations.⁶⁷

The agreement also envisaged France's reintegration to NATO's military command structure. However, France made this reintegration conditional on European command of the Allied Forces Southern Europe (AFSOUTH) headquarters in Naples. This French proposal was unacceptable to Washington and other Allied capitals, partly because it violated the principle that command responsibilities should reflect force contributions.⁶⁸

After having chosen in 1997 not to fully return to NATO's integrated military structure, France turned towards the EU, which "offered by far the best chance of securing full-hearted French participation."⁶⁹ The time had arrived much earlier than France expected for the EU to play a more significant role in European security affairs, with reduced dependence on the United States.

In December 1998 Prime Minister Tony Blair broke with the traditional British policy, which considered NATO the predominant forum in European security issues. When the British Prime Minister "crossed the European defence Rubicon" at the Franco-British summit in St. Malo, it set the entire ESDP into motion.⁷⁰ The reasons behind this dramatic change in the United Kingdom's policy on EU defense matters are complex and manifold. Certainly there was an interest in providing the UK a more significant role in EU affairs. Franco-German domination in European Union affairs gained a new impetus with the introduction of the Economic and Monetary Union (EMU, or the euro) as well as through the implementation of the Schengen regime. More active British participation concerning the EU's Common Foreign and Security Policy was intended to compensate for Britain's non-participation in the EMU and the Schengen Agreements.⁷¹ The Blair

⁶⁷ Jeffrey Simon and Sean Kay, pp. 383-384.

⁶⁸ Yost, *NATO Transformed*, p. 215.

⁶⁹ Michael Quinlan, *European Defense Cooperation, Asset or Threat to NATO?* (Washington, D.C.: Woodrow Wilson Center Press, 2001), p. 33.

⁷⁰ Jolyon Howorth, *European Integration and Defence: The Ultimate Challenge?* WEU Institute for Security Studies. Chaillot Paper 43., p. 25. available at: <http://www.weu.int/institute/chaillot/chai43e.pdf>

⁷¹ Pál Dunay, "US-EU Relations after the Introduction of the Euro and the Reinvention of European

government also came to the conclusion that “in the twenty-first century, there is no need to make a definite choice between being European and at the same time being the closest ally of the Americans. On the contrary, the best ally of the United states can only be a genuine European.”⁷²

At the April 1999 Washington Summit, NATO recognized the EU’s decision to develop its own security and defense policy. The communiqué states “that a stronger European role will help contribute to the vitality of our Alliance for the 21st century.”⁷³ At the same meeting, the Allies also launched the Defense Capabilities Initiative (DCI) in order to “improve the defence capabilities of the Alliance to ensure the effectiveness of the future multinational operations across the full spectrum of the Alliance missions in the present and foreseeable security environment.”⁷⁴

In short, the shift in both American and British policies toward a more autonomous EU defense policy converged with the long-standing French determination to develop an ESDP. As a result, since late 1998 the focus of attention has been transferred from the ESDI (with its emphasis on more European capability within NATO) to the ESDP, which aims at developing autonomous EU capabilities, albeit with continued cooperation with NATO.⁷⁵

B. NATIONAL POSITIONS

Concerning the mechanism for ESDP defense planning, the European Union considered two major options: to accept NATO’s offer to participate in the alliance’s well-established force planning process or to create a separate process within the EU. These possibilities divided the NATO countries into two groups. For different reasons, both France and Turkey initially rejected the principle of a consolidated NATO-EU force

Security and Defence,” Geneva Centre for Security Policy, Occasional Paper Series 2000, available at: www.gcsp.ch/e/index.html

⁷² Margarita Mathiopoulos and István Gyarmati, “Saint Malo and Beyond: Toward European Defense,” *Washington Quarterly*, vol. 22, no. 4 (Autumn 1999), p. 67.

⁷³ Washington Summit Communiqué, Washington, D.C., 24 April 1999, para. 9.

⁷⁴ *Ibid.*, para. 11.

⁷⁵ Howorth, *European Integration and Defence*, pp. 28-30.

planning process. The rest of the allies, led by the United States and the United Kingdom, felt it necessary to have close NATO-EU cooperation.

France considered the EU's European Security and Defence Policy (ESDP) an excellent opportunity to exert leadership in the sphere of security and defense. France's "self-imposed isolation" in NATO would not change. However, some of the French believed that building an ESDP would create a necessary counter-balance to America's "hegemonic" role in NATO. Consequently France has championed the establishment of an independent EU force planning mechanism, which is not dependent on NATO's planning arrangements. The French have nonetheless wanted to maintain coordination with NATO based on information exchanges and technical expertise.

Turkey had also rejected the EU's proposed format of cooperation for non-European NATO members with respect to the use of NATO assets. Turkish foreign policy is heavily loaded with frustration over Ankara's relationship with the EU. It must be kept in mind that before "an accession partnership" was drawn up in Helsinki in 1999, the EU refused to accept Turkey to be considered a future member of and to enter accession negotiations with the European Union. Its close association with the United States the possession of the largest armed forces among the European NATO allies, the second largest in NATO and its geo-strategic location make Turkey an important player that must be given due consideration. Especially in view of the country's geographical proximity to existing and potential crisis areas, Turkey threatened to use its "veto power"⁷⁶ in NATO to block the EU's access to NATO assets unless direct influence on all EU decision-making concerning matters affecting its security interests was guaranteed. According to an official Turkish statement, "We intend to continue and to strengthen our involvement in future EU-led crisis management efforts. Our contributions are based on full participation in the decision process as well as in the preparation and planning of EU-led operations."⁷⁷

⁷⁶ Officially there is no "veto power" in NATO compared to the right vested in the permanent members in the UN-Security Council. The Alliance's decision-making procedures are based on the principle of unanimity, which actually given "objecting" nations a de-facto veto right.

⁷⁷ Ömür Orhun, "European Security and Defence Identity - Common European Security and Defence Policy: A Turkish Perspective," *Perceptions: Journal of International Affairs*, vol. V, no. 3 (September–November 2000), available at: <http://www.mfa.gov.tr/grupa/percept/v%2D3/orhun-9.htm>

The other group, led by Germany, the United Kingdom and the United States, has supported strong links between NATO and EU planning and substantial consultation. Taking the lead together with France on ESDP development, the UK sought influence over the direction of the process. The British government carefully weighed this move against its responsibilities within the context of Britain's "special relationship" with the United States. In fact, as Jolyon Howorth argues, the British decision to end a fifty-year-old veto on European defense integration "did not represent a British 'conversion' to the European cause – to the extent to which, for the United Kingdom, the starting point was a pragmatic attempt to preserve the Atlantic Alliance. If that meant constructing a European instrument (CESDP), then so be it."⁷⁸ Tony Blair, "anxious to carve out some European role for the United Kingdom,"⁷⁹ chose to change UK policy on ESDP. This policy nonetheless remained Atlanticist at heart.

The United States has sought to avoid arrangements that could weaken NATO and favors strong co-ordination between NATO and the EU. Ever since the French-British agreement at St. Malo to pursue long latent European Union intentions in the field of security and defense the signals coming from Washington have been clear and specific. Secretary of State Madeleine Albright formally declared the U.S. Administration's support but cautioned the Europeans against "the Three Ds: decoupling, duplication, and discrimination."⁸⁰ The "three Ds" have summarized American concerns pertaining to the development of an autonomous European Union defense capacity.

The new U.S. Administration of President George W. Bush will have to deal with the ESDP as it enters its more practical stage. It will have to decide whether it will continue the rather conditional United States support so far and encourage a stronger and more capable European Union to take its place in the security and defense arena. So far the statements made by both the president and the members of his administration show a tendency to ask the European allies to accept greater responsibilities and hence a greater share of the burden. During the 2000 presidential campaign it was reported that "a

⁷⁸ Howorth, *European Integration and Defence*, p. 29.

⁷⁹ *Ibid.*, p. 25.

⁸⁰ Madeleine K. Albright, "The Right Balance Will Secure NATO's Future," *Financial Times*, 7 December 1998.

proposal by George W. Bush ...to remove US troops from peacekeeping missions in the Balkans has provoked a wave of anxiety among the European allies, who fear such a move would split the NATO alliance and damage faith in American leadership.”⁸¹

Such a reaction on the part of the Europeans is at first blush hard to understand. If the European Union’s intentions regarding ESDP were serious and far-reaching, a U.S. step in that direction would have been perceived as an opportunity to act. Since this has not been the case, one is inevitably tempted to suspect that the loudly proclaimed consensus on the ESDP’s development and purposes is fragile and perhaps even non-existent.

It should be noted that, although President Bush assured the European allies in July 2001 that the United States would not unilaterally withdraw its forces from the Balkans, the 11 September 2001 attacks on America may result in further reductions in the U.S. forces in the region.⁸² In other words, challenges for the EU’s ESDP may arise more promptly than anticipated when key decisions were made in 1999.

The long deadlock between the EU and Turkey seemed to be cleared away in early December 2001, when Turkey came to terms with the United Kingdom and the United States. According to the agreement, “As a NATO ally and a candidate for European Union membership, Turkey supports the ESDP process.”⁸³ In return, the “Ankara document” enabled Turkey to have a direct voice in the EU’s decision-making process regarding ESDP matters in Turkey’s vicinity and offered a right of Turkish participation in EU military operations.⁸⁴ Turkey also had obtained a guarantee that the EU would not intervene in Cyprus or Aegean issues. As the Turkish Prime Minister,

⁸¹ William Drozdiak, “Bush Has NATO Allies Worried: Limits on US Role are Seen as Threat to Collective Security,” *International Herald Tribune*, 24 October 2000.

⁸² James Dao, “Americans Plead to Remain in Bosnia,” *The New York Times*, 22 October 2001. General Joseph W. Ralston, NATO SACEUR/ US EUCOM Commander, is reported to be adamantly against further reductions in US troop strength in the Balkans, even though allies have offered to backfill U.S. positions.

⁸³ “Ecevit Signals Support for ESDP Process,” *Turkish Press Review*, 01-12-03. available at: www.hri.org/news/turkey/trkpr/2001/01-12-03.trkpr.html

⁸⁴ “Turkey ‘deal’ on rapid reaction force,” *BBC News*, 3 December, 2001. available at: http://news.bbc.co.uk/1/hi/english/world/europe/newsid_1690000/1690050.stm

Bulent Ecevit, told reporters, “Turkey’s expectations have been largely met.”⁸⁵ In spite of the Ankara document the long debate between the EU and Turkey is far from settled. Greece blocked the “Ankara document” agreement at the EU summit in Laeken, in December 2001, “saying it objected to assurances given to NATO member Turkey that the EU would not involve itself in possible disputes between two NATO countries.”⁸⁶ Athens also rejects the principle of deep Turkish involvement in the EU’s ESDP and asserts that “the EU must retain ‘autonomy’ regarding issues of foreign policy and defence.”⁸⁷

The terrorist attacks in September 2001 against the United States have also had a tremendous effect on the future of the ESDP. According to Maartje Rutten, a Dutch analyst, “Not only does it largely de-rail the ESDP plans (strategy, goals, geographic limits and character of possible operations, military and civil means, etc) but international anti-terrorism coalition-building and the military campaign in Afghanistan have put ‘EU commonality’ under significant strain, putting the CFSP/ESDP *acquis* in danger.”⁸⁸

At the informal ministerial meeting in October 2001 the European Union defense ministers refused to endorse the proposal to increase national spending on the ESDP as a response to the terrorist attacks in America.⁸⁹ Moreover, the enthusiastic announcement by Louis Michel, the Belgian foreign minister, at the EU summit in Laeken, that the EU’s peacekeeping force in Afghanistan would be “a turning point in the history of the union” has been rejected by many EU observers. Joschka Fischer, the German foreign minister, was quoted as saying that, “Even if we wanted to, we could not do it as we are not as far as we need to be with the [defence] structures.”⁹⁰ By contrast, the terrorist attacks impelled an extraordinary \$50 billion increase in the U.S. defense budget, which may easily further widen the already significant military gap between the European and

⁸⁵ “Ecevit Signals Support for ESDP Process”

⁸⁶ “Greece ready to hold talks on EU military deal with NATO,” Agence France-Presse, Athens, 12 March 2002.

⁸⁷ EU fights to save defence deal, BBC News, 3 December, 2001. available at: http://news.bbc.co.uk/1/hi/english/world/europe/newsid_1701000/1701785.stm

⁸⁸ Maartje Rutten, “Stagnation of the ESDP,” ISS-EU Newsletter No.1, February 2002. available at: www.iss-eu.org/new/analysis/analy013e.html

⁸⁹ Ibid.

American forces. As a former German defense official noted, “At this rate, we won’t be able to communicate with you, much less fight alongside you.”⁹¹

Additionally, the war on terror might stimulate tendencies toward unilateralism in the United States. U.S. Secretary of Defense Donald Rumsfeld reaffirmed the official view of the Bush administration in his January 2002 speech at the National Defense University: “[W]ars can benefit from coalitions of the willing, to be sure. But they should not be fought by committee. The mission must determine the coalition, and the coalition must not determine the mission. If it does, the mission will be dumbed down to the lowest common denominator, and we can’t afford that.”⁹² The growing capability gap between the EU and the United States, amplified by a stronger American inclination to take action unilaterally, could jeopardize the transatlantic relationship.

In spite of the Turkey-Greece debate and the U.S. war on terrorism, the future of the ESDP mainly depends on the United Kingdom and France, the two driving forces of the process. It is too early to conclude that the United Kingdom has given up its Atlanticist convictions for the European Union or that this trend in British policy will remain unaltered both in direction and strength. France, on the other hand, will try to make the most of ESDP by playing the leading role it has long sought. “Between the French maximalist quest for ‘autonomy’ and the UK reliance on NATO for strategic assets, there is currently a gulf which words alone are unlikely to be able to continue to bridge,” notes Howorth.⁹³

C. NON-EU NATO MEMBERS

The political debate over the EU defense planning process in formation may be even more arduous than the technical one because it could create numerous splits among

90 “EU countries to send troops,” *The Guardian*, 15 December 2001.

91 Joseph Fitchett, “Pentagon In A League Of Its Own, U.S. Weapons Advances Called Threat to Allies’ Solidarity,” *International Herald Tribune*, 4 February 2002.

92 Secretary of Defense Donald Rumsfeld, remarks at National Defense University, Washington, D.C., 31 January 2002, available at: www.defenselink.mil/speeches/2002/s20020131-secdef.html.

93 Jolyon Howorth, “Britain, France and the European Defence Initiative,” *Survival*, vol. 42. (Summer 2000), p. 39.

the participating countries. According to Kori Schake, “The idea of a caucus of member states within NATO could be detrimental both to the Alliance and European Security and Defence Policy (ESDP). It would position the United States, Turkey, Norway, Canada, Poland, Hungary, the Czech Republic, and possibly Denmark on one side of the table to review a position agreed upon by the European Union.”⁹⁴

The roots of the problem with regard to the participation of non-EU member countries go back to the WEU. The WEU used to possess a relatively loose membership system with four categories. The ten full members (Belgium, France, Germany, Greece, Italy, Luxembourg, the Netherlands, Portugal, Spain and the United Kingdom) granted associate membership to the six non-EU NATO European countries (the Czech Republic, Hungary, Iceland, Norway, Poland and Turkey) and observer status was extended to the four EU countries (Austria, Finland, Ireland and Sweden) which were not NATO members and Denmark (a NATO ally that preferred observer status). Associate partnership was offered to the aspirant countries. In practice, the meetings were open and every country had an opportunity to express its position on the agenda. The various types of status became practically almost insignificant as countries were treated equally in general matters.⁹⁵

The EU’s decision to pursue the ESDP and to incorporate certain functions of the WEU, effectively abolishing the WEU as an institution, put an end to this arrangement. The ESDP places tremendous emphasis on the EU’s autonomous decision making, and this implies rejecting any kind of political influence from outside the European Union. As a result the non-EU NATO European member nations feel that they are excluded from the decision making process. This type of caucus could jeopardize the coherence of the Alliance, and this risk prompted the United States to take a position against discrimination toward the non-EU NATO European nations.

The EU holds that undue discrimination is avoided by the decision of the European Council at Helsinki in December 1999. The EU pledged to pursue “necessary

⁹⁴ Kori N. Schake, “Do European Union Defense Initiatives Threaten NATO?” Strategic Forum, Institute for National Strategic Studies, National Defense University, No. 184, August 2001, p. 4.

⁹⁵ Quinlan, p. 25. It should also be noted that only some provisions in the association agreement were argued to be “discriminatory” against non-full members – a factor always fueling tensions between Turkey and its “probable political opponent,” Greece.

dialogue, consultation and co-operation with NATO and its non-EU members, other countries who are candidates for accession to the EU as well as other prospective partners in EU-led crisis management, with full respect for the decision-making autonomy of the EU and the single institutional framework of the Union.”⁹⁶

In order to fulfill this commitment, the EU offered an opportunity to non-EU NATO European members to participate in the ESDP project in the Helsinki and Feira documents. This provision keeps the ESDP open for their contributions of resources necessary for the Petersberg tasks and provides the possibility of regular and substantive dialogue on ESDP issues. In non-crisis periods that dialogue will be maintained through regular meetings in an “EU+6” format on ESDP matters and their possible implications for non-EU NATO countries. (As noted earlier, the six non-EU NATO European nations are the following: the Czech Republic, Hungary, Iceland, Norway, Poland and Turkey.) These consultative meetings will be held twice a year, with schedules and agendas determined by the European Council. In times of crisis, the EU will intensify these consultations. If a military operation is considered (especially with use of NATO assets), the European Council will inform “the six” about its intentions and military options, and take into consideration their security concerns before reaching a final decision. Once the European Council decides on a military operation, it will present operative planning work to “the six,” and invite them to join the operation. Each member of “the six” will decide whether to join the operation. In contrast, if the operation is conducted without NATO assets the six non-EU European NATO members may only participate upon invitation by the European Council. In each case, the Council will make the final decision on whether and how a military operation will take place.⁹⁷

The Nice Summit approved the Feira decisions concerning the participation of the non-EU European NATO countries in the ESDP in Annex VI to Annex VI of the Presidency Conclusions. This annex is entitled “Arrangements Concerning non-EU European NATO Members and Other Countries which are Candidates for Accession to

⁹⁶ Presidency Conclusions, European Council, Helsinki, in Maartje Rutten ed., *From St-Malo to Nice*, p. 88.

⁹⁷ Presidency Conclusions, European Council, Santa Maria da Feira, in Maartje Rutten ed., *From St-Malo to Nice*, p. 127.

the EU.”⁹⁸ According to the document, a permanent consultation mechanism will be established during non-crisis periods in an EU+15 format (all the 15 candidate countries, including “the six”) and in an EU+6 format, with a minimum of two meetings in every six month Presidency. Concerning crisis periods the document recognizes two phases: a pre-operational phase, and an operational phase.⁹⁹ According to the document, “For operations requiring recourse to NATO assets and capabilities, operational planning will be carried out by the Alliance’s planning bodies, and for an autonomous EU operation it will be carried out within one of the European strategic level headquarters.”¹⁰⁰ In the first case, the non-EU European allies would be involved in the strategic planning from the beginning according to NATO procedures. By contrast, “Once the Council has chosen the strategic military option(s), the operational planning work will be presented to the non-EU European NATO members and the other candidate countries which have expressed their intention in principle of taking part in the operation, to enable them to determine the nature and volume of the contribution they could make to an EU-led operation.”¹⁰¹

In summary, the EU-led operation not only puts the non-EU European NATO members and the other candidate countries in the same category, but is based on the “full respect for the decision-making autonomy of the EU and its single institutional framework”¹⁰² It therefore excludes them from the EU’s strategic planning. The new situation is obviously less than fully satisfying for the non-EU European NATO countries.¹⁰³ Turkey in particular has expressed concerns that the EU might plan operations “to areas which Turkey regarded as touching upon its security interests”¹⁰⁴ without Turkish participation from the beginning.

⁹⁸ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 199.

⁹⁹ Ibid., pp. 201-202.

¹⁰⁰ Ibid., p. 202

¹⁰¹ Ibid., p. 201.

¹⁰² Ibid., p. 200.

¹⁰³ One might speculate that the main reason why the Czech Republic, Hungary and Poland have not expressed similar concerns is that the Nice Treaty has not yet been ratified. Owing to the advanced status of their membership negotiation, the three Central European allied countries expect to join the EU in the near future. Once they have joined the EU, the issue will become of less immediate relevance for them.

¹⁰⁴ Quinlan, p. 46.

The Nice decisions also ignored the American view that “the six non-EU European Allies should be invited to participate, to the widest possible extent, in EU preparations to meet its Headline Goal and to consult closely with EU members before an EU decision on a military operation.”¹⁰⁵ Secretary of Defense Cohen put it very baldly in the same speech in Birmingham: “once EU members have decided to conduct an operation, non-EU European Allies willing to contribute to the operation understandably should participate in decision-shaping on implementation of that operation – not unlike Partners who have elected to contribute to a NATO-led crisis response operation.”¹⁰⁶

¹⁰⁵ Secretary of Defense William S. Cohen, remarks at the informal NATO defense ministerial meeting in Birmingham, 10 October 2000, available at: www.defenselink.mil/speeches/2000/s20001010-secdef.html

¹⁰⁶ Ibid.

THIS PAGE INTENTIONALLY LEFT BLANK

IV. EU-NATO DEFENSE PLANNING

Defense planning – a complicated activity with both technical and political dimensions – may influence the future of the transatlantic relationship. NATO defense planning, based on the integrated military structure, helps to enable the Allies to conduct operations as a coalition. The joint NATO-EU planning process could in principle build a common understanding among the member nations about using force and avoid unnecessary duplications that could waste resources and even, in some circumstances, undermine the transatlantic relationship. However, such a process could also lead to competition and dissonance between the two organizations if the EU developed different ways to utilize the same forces.¹⁰⁷

A. NEW EU STRUCTURE

In order to have autonomous European Union capabilities and to build a relationship of equality with NATO, the EU first had to set up its own permanent political and military structure dealing with security and defense policy. The Treaty of Amsterdam, which was formulated in 1997 and entered into force in 1999, incorporated specific policies of the Western European Union (WEU) into the Treaty on European Union, established the position of a high representative for the CFSP, and provided a legal basis for the EU to conduct “Petersberg tasks”-type military actions.¹⁰⁸

In June 1999, former NATO Secretary-General Javier Solana was selected to serve in the new position of High Representative of the CFSP (HR-CFSP), which also combines two other functions. Solana is Secretary General of the European Council and in the fall of 1999 he was also named the new Secretary General of the WEU. “The Secretary-General of the Council, High Representative for the common foreign and

¹⁰⁷ Schake, pp. 5-6.

¹⁰⁸ “Articles 13 and 17 contain the major changes: in particular, the European Council’s guidelines for the CFSP ‘shall obtain in respect of WEU for those matters for which the Union avails itself of the WEU’; and the Petersberg tasks were incorporated into the EU Treaty.” Fact Sheet entitled “WEU and the European Union,” available at: <http://www.weu.int/eng/info/eu.html>

security policy, shall assist the Council in matters coming within the scope of the common foreign and security policy, in particular through contributing to the formulation, preparation and implementation of policy decisions, and, when appropriate and acting on behalf of the Council at the request of the Presidency, through conducting political dialogue with third parties.”¹⁰⁹ A Policy Planning and Early Warning Unit (Policy Unit or PPEWU) has also been established to support the HR-CSFP and his/her cabinet.¹¹⁰

The Nice Summit in December 2000 endorsed the recommendations of the European Council in Helsinki concerning the permanent political and military structure of the European Union. At Nice the European Council decided to establish the Political and Security Committee (PSC), the Military Committee (EUMC), and the Military Staff (EUMS) of the European Union.¹¹¹ Each of these new structures contains representation from every EU nation, and every decision requires consensus.

The Political and Security Committee (PSC) is a senior level body of the national representatives. The PSC deals with “all aspects of the CFSP, including the CESDP,” and exercises political control and strategic direction over EU operations. It is also responsible for implementing decisions of the European Council. The European Union Military Committee (EUMC) consists of the Chiefs of Defense Staff, who are for day-to-day activities represented by their military delegates. The EUMC provides military advice, makes recommendations to the PSC, and serves as an interface between the civilian PSC and the European Union Military Staff (EUMS).¹¹²

The EUMS is the operational military headquarters of the European Council and consists of five divisions: (1) Policy and Plans, (2) Intelligence, (3) Operations and Exercises, (4) Logistics and Resources, and (5) Communications and Information Systems. The EU Military Staff is also responsible for three major operational functions:

¹⁰⁹ Title V, Article 26, European Union. Consolidated Version of the Treaty on European Union. available at: http://europa.eu.int/eur-lex/en/treaties/dat/eu_cons_treaty_en.pdf

¹¹⁰ Howorth, *European Integration and Defence*, p. 32.

¹¹¹ Presidency Conclusions, European Council, Nice, Annex VI. Chapter II. Establishment of Permanent Political and Military Structures. in Maartje Rutten ed., *European Defence*, p. 171.

¹¹² Colin Robinson, “The European Union’s Military Capability,” 12 August 2001, available at: <http://www.orbat.com/site/data/euomultinational/eu.html>

early warning, situation assessment, and strategic planning. Concerning strategic planning “it carries out the military aspects of strategic advance planning for Petersberg missions.”¹¹³ It contributes to the development and preparation of national and multinational forces made available by the Member States to the EU.¹¹⁴

However, the EUMS is not expected to conduct operational planning. According to a British Ministry of Defense statement, “[I]n most circumstances, we expect to use the existing multinational operational capabilities of NATO for this purpose. There is no intention to create a separate EU planning headquarters to duplicate this capability.”¹¹⁵ According to Colin Robinson, “The model for the EUMS is the NATO International Military Staff, which supports the NATO Military Committee, rather than SHAPE, the Supreme Headquarters Allied Powers Europe, an operational military headquarters.”¹¹⁶

Despite the efforts to create a single center for politico-military planning, analysis and policy advice, there are still “unresolved tensions” within the new EU structure. Chris Patten, the Commissioner for External Relations of the European Commission, voiced his concern that the creation of the HR-CFSP further complicated the EU’s foreign policy. In response, the European Commission gave its backing to Patten’s demand for a “bigger role” for the European Commission in foreign policy.¹¹⁷ This led to “a cooling of relations between Patten and Solana.” Similarly, a “turf battle” emerged between the PSC and the COREPER (the Committee of Permanent Representatives, which consists the permanent representatives, or ambassadors of the member states of the EU in Brussels) on the PSC’s role in the non-military aspects of crisis management.¹¹⁸ In spite of this EU “domestic quarrel,” the new structure enabled the EU to conduct negotiations with NATO.

¹¹³ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 197.

¹¹⁴ Robinson.

¹¹⁵ Ministry of Defence UK, *Policy Paper No.3: European Defence*, November 2001, p. 7.

¹¹⁶ Robinson.

¹¹⁷ Howorth, *European Integration and Defence*, p. 32 n.

¹¹⁸ Howorth, *European Integration and Defence*, p. 35.

B. THE EU'S INSTITUTIONAL RELATIONSHIP WITH NATO

The relationship between NATO and the EU is clearly in its early stages. In order to settle the technical questions in April 1999 the NATO heads of state and government meeting in Washington, less than two months before the European Council meeting in Cologne (3-4 June 1999), offered close military planning cooperation:

...we therefore stand ready to define and adopt the necessary arrangements for ready access by the European Union to the collective assets and capabilities of the Alliance, for operations in which the Alliance as a whole is not engaged militarily as an Alliance. The Council in Permanent Session will approve these arrangements, which will respect the requirements of NATO operations and the coherence of its command structure, and should address:

Assured EU access to NATO planning capabilities able to contribute to military planning for EU-led operations;

The presumption of availability to the EU of pre-defined NATO capabilities and common assets for use in EU-led operations;

Identification of a range of European command options for EU-led operations, further developing the role of DSACEUR in order for him to assume fully and effectively his European responsibilities;

The further adaptation of NATO's defence planning system to incorporate more comprehensively the availability of forces for EU-led operations.¹¹⁹

In response to the NATO offer the Presidency Report on ESDP recognized NATO's primary role in collective defense and called for "a genuine strategic partnership between the EU and NATO in the management of crises with due regard for the two organizations' decision-making autonomy."¹²⁰ The Report also declared that the EU would place significant emphasis on consultation, cooperation and transparency within the EU-NATO relationship. Therefore the EU proposed further cooperation with NATO

¹¹⁹ NATO Washington Summit Communiqué, para. 10.

¹²⁰ Presidency Conclusions, European Council, Nice, 7,8, and 9 December 2000, in Maartje Rutten ed., *From St-Malo to Nice*, p. 169.

under Annex VII to Annex VI of the Presidency Report, labeled “Standing Arrangements for Consultation and Cooperation Between the EU and NATO.”¹²¹

The general principles for the relationship are set forth in the Appendix to Annex VII to Annex VI, entitled “Annex to the Permanent Arrangements on EU/NATO Consultation and Cooperation on the Implementation of Paragraph 10 of the Washington Communiqué,” in which the European Union summarized the relevant proposals in three points. First, the EU seeks “guaranteed permanent access to NATO’s planning capabilities,” including operational planning.¹²² “Two different kinds of access are at issue: first, continuous access, whether before or during crisis, to NATO planning capabilities; second, the actual use of executive assets –headquarters, infrastructure, communications and the like – in operations.”¹²³ The access would be guaranteed through the DSACEUR, who is in charge of managing priorities and allocating assets for operations conducted by (or in cooperation with) the EU.¹²⁴ However, it should be noted that the document stipulates the following conditions:

in the event of DSACEUR’s informing the EU that he cannot at the same time satisfy both the EU request and NATO work on a non-Article V operation, close consultation will take place between the organizations at the appropriate level in order that an acceptable solution for the two organisations in terms of managing priorities and allocating assets may be reached, the final decision lying with NATO;

should NATO undertake an Article V operation and should it have had to refuse or recall planning capabilities in that context, the EU will have access to those NATO planning capabilities which remain available.¹²⁵

In the second point, the EU suggests that the PSC/NAC draw up an overall package of “ the pre-identified assets and capabilities which are likely to be used”¹²⁶ in a

¹²¹ Ibid., p. 203.

¹²² Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 207.

¹²³ Quinlan, p. 71.

¹²⁴ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 207.

¹²⁵ Ibid.

¹²⁶ Ibid.

specific EU-led operation. Such a list is vital because it is not clear from the text whether these are NATO assets funded by the Alliance's common infrastructure budgets (such as pipelines, airfields, radars, and communications equipment) or U.S. capabilities made available to NATO.¹²⁷ In order to avoid unnecessary duplication and transatlantic discord it must be clarified which are the U.S. capabilities that the EU can rely on.¹²⁸

According to the third point in the EU's proposal, "Discussions will take place between experts from the EU and the Alliance with a view to identifying a series of possible options for the choice of all or part of a chain of command (operation commanders, force commanders, unit commanders and associated Military Staff elements)."¹²⁹ To promote transparency and consultation, regular dialogue will be established between the EU's Political and Security Committee and the North Atlantic Council, as well as between the Military Committees and subsidiary groups of the two organizations. Additional meetings may also be requested.¹³⁰

Through joint meetings of the NAC and PSC, exchanges of views, and agreements on the use of assets and infrastructure, the two organizations are attempting to complement each other. In September 2000, the NAC and the PSC met for the first time. Three NAC-PSC meetings will take place during each six-month EU Presidency. In addition, two foreign ministerial meetings will take place during this period.¹³¹

France wanted to hold an EU meeting prior to any EU-NATO consultations while the UK and other EU nations insisted on continuous close cooperation with NATO. Under increasing pressure the French gave in and agreed to adopt the plan setting up four EU-NATO working groups.¹³² As a result the EU and NATO have established four ad hoc working groups for four specific areas: 1) developing a permanent relationship for

¹²⁷ Yost, "The NATO Capabilities Gap and the European Union," p. 98.

¹²⁸ François Heisbourg, *European Defence: Making it Work*, Chaillot Paper, No 42, Institute for Security Studies WEU, p. 46. available at: www.weu.int/institute/chaillot/chain42e.pdf

¹²⁹ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 208.

¹³⁰ Ibid., p. 204.

¹³¹ "First NATO-EU meeting under new permanent arrangements" NATO Update, 5-11 February 2001. available at: www.nato.int/docu/update/2001/0205/e0205a.htm

¹³² Howarth, "Britain, France and the European Defence Initiative," p. 46.

consultation and cooperation; 2) exploring the ability to exchange classified information (this task has been completed); 3) devising practical arrangements to allow the EU access to NATO assets and capabilities; and 4) discussing capability goals and how to integrate EU operations into NATO planning with coherence and transparency.¹³³

C. DEFENSE PLANNING IN THE EU

Defense planning has two basic aspects. The main objective of the “strategic planning” is to set the military goals and prepare the individual country or the coalition as a whole to deal with the possibility of future crises. In the case of NATO-EU cooperation strategic planning is supposed to provide transparency and help to avoid unnecessary duplication between the two organizations. “Operational planning,” as its name implies, means the process of getting ready to conduct military actions.¹³⁴

François Heisbourg suggests that the “EU should limit itself to strategic planning and generic requirements.”¹³⁵ He notes that NATO strategic planning failed to foresee the security challenges of the 1990s and argues that the adaptation to the new conditions in Europe was more the result of national than collective NATO measures. In consequence, he maintains, the European Union’s planners should focus on strategic planning and allow the Alliance to do the force planning, which NATO does effectively.¹³⁶

1. Military Strategic Planning Outside Times of Crisis

The EU has in fact decided to focus primarily on conducting strategic planning. A preliminary definition of the Strategic Planning is included in Annex V to Annex VI of the Nice European Council Presidency Report on the ESDP under the “Role and Tasks” of the EUMS. According to the preliminary definition, strategic planning consists of

¹³³ NATO Fact Sheets: Strengthening European Security and Defence Capabilities, para 1-4. available at: <http://www.nato.int/docu/facts/2000/dev-esdi.htm>

¹³⁴ Robert E. Hunter, The European Security and Defense Policy: NATO’s Companion – or Competitor? (Santa Monica: RAND, 2002), p. 102, available at: www.rand.org/publications/MR/MR1463/.

¹³⁵ Heisbourg, European Defence: Making it Work, p. 89.

¹³⁶ Ibid.

“planning activities that start as soon as a crisis emerges and end when the EU political authorities approve a military strategic option or a set of military strategic options. The strategic process encompasses military situation assessment, definitions of a POL/MIL framework and development of military strategic options.”¹³⁷

In the EU structure it will be the Military Staff’s responsibility to deal with military strategic planning under the supervision of the Military Committee. This will oblige the EUMS to undertake two complementary functions: advance military strategic planning and crisis military strategic planning. The main objective of the advance military strategic planning is to prepare the EU in peacetime to deal with the possibility of future crises. To provide transparency and avoid unnecessary duplications between the EU and NATO it will be conducted in close consultation and cooperation between EUMS and NATO’s International Military Staff (IMS).¹³⁸ However, neither the EU Military Committee (EUMC) nor the EU Military Staff is responsible for contingency planning for military operations or operational command. This responsibility belongs to the staff of Allied Command Europe, under the DSACEUR.¹³⁹

2. Military Strategic Planning in Times of Crisis

When a crisis emerges, “the PSC is the Council body which deals with crisis situations and examines all the options that might be considered as the Union’s response within the single institutional framework and without prejudice to the decision-making and implementation procedures of each pillar.”¹⁴⁰ In order to prepare the EU’s response to a crisis the PSC issues an Initiating Directive to the Director General of the EUMS (DGEUMS) to draw up, prioritize and present military options. The role of the directive is to translate the PSC’s request into military terms. In response the EUMS elaborates the military strategic options and supports the EUMC to finalize the Initial Planning

¹³⁷ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 197 n.

¹³⁸ *Ibid.*, p. 205.

¹³⁹ Quinlan, p. 63.

¹⁴⁰ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 192.

Guidance and Planning Directives forwarded to the PSC.¹⁴¹ Based upon the EUMS/EUMC evaluation, the PSC sends its recommendations to the Council, which decides to launch the operation.¹⁴²

The EU and NATO intend independently to follow developments with crisis and conflict potential and to maintain a regular dialogue, primarily between the PSC and the NAC. In the emergency phase of a crisis the contacts and meetings are to be intensified as the EU and NATO exchange intelligence and other relevant information related to the crisis in accordance with the NATO-EU Security Agreement.¹⁴³ EU and NATO members will consult and decide which organization will take care of the crisis. If NATO decides that the Alliance as a whole will not be engaged militarily, the EU will have the right to undertake a crisis response operation.¹⁴⁴

In the next step the EU will decide whether it will conduct the operation with or without NATO support. If it is decided that the EU will call for NATO assets and capabilities, the PSC will inform the NAC and experts from the two organizations will meet to specify the required NATO assets. When EU and Alliance experts agree on a list of the required NATO assets and capabilities, the EU will forward the request to NATO's Deputy Supreme Allied Commander Europe (DSACEUR). The DSACEUR, who is traditionally a European, will take the lead in military planning at SHAPE and will report to both NATO and EU leaders, but will take orders only from the EU during EU-led, NATO-supported operations.¹⁴⁵

If an EU operation is conducted without NATO assets and capabilities, a lead nation will be selected to develop plans and provide command and control. According to the British Ministry of Defense, "operational planning would be carried out at a National Headquarters, for example the Permanent Joint Headquarters in the UK or Creil in

¹⁴¹ Ibid., p. 198.

¹⁴² Ibid., p. 193.

¹⁴³ NATO Handbook, (Brussels: NATO Office of Information and Press, 2001), p. 103.

¹⁴⁴ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 205.

¹⁴⁵ Schake, p. 2.

France.”¹⁴⁶ In this case, the “non-EU European [NATO] allies may send liaison officers to the European Military Staff bodies at strategic level for exchanges of information on operational planning and the contributions envisaged.”¹⁴⁷ Even so, the Alliance and the EU continue to meet on a regular basis so that they can discuss their assessments of the evolution of the crisis.

The implications regarding the EU’s role in operational planning have raised some concerns in NATO. In a recent RAND study, Robert E. Hunter says that “For the United States (and other concerned about the coherence of NATO and its relations with the EU/ESDP), the operational planning functions were clearly to be contingent on the type of operation being undertaken.”¹⁴⁸ Hunter also offers a consistent argument from the Alliance’s point of view:

From NATO’s point of view, the process was backwards: It should be joint planning first, then deciding who would undertake an operation (NATO or the European Union), then considering whether NATO assets would be needed and hence transferred, and then undertaking any subsequent planning – but again, from NATO’s point of view, not done by any body not fully, regularly, and consistently “transparent” to NATO planners and procedures. To put the point even more directly: This issue of the locus of planning could create a serious impediment to making decisions on the basis of the agreed principle of “where NATO as a whole is not engaged.” That bridge could not be crossed until NATO had a chance to review a situation, plan for it, and then judge whether it would or would not be engaged; the ESDP proposal for a bifurcated planning system presupposed that the “NATO engaged” issue had been decided even before the locus for planning could be agreed upon.¹⁴⁹

In addition to the lack of transparency, Hunter pointed out that there was no reciprocal right offered to NATO with regard to EU planning at any level. As a result, he predicts that the EU proposal will prove problematic because “no serious military

¹⁴⁶ UK Ministry of Defence: Policy Paper No.3, European Defence, November 2001, p. 8.

¹⁴⁷ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 202.

¹⁴⁸ Hunter, p. 112.

¹⁴⁹ Ibid.

strategist or planner could endorse such a set of procedures for two institutions that sought to be able to work together.”¹⁵⁰

3. Force Planning

At the Helsinki summit in December 1999, the European Union agreed to adopt the Headline Goal, which declared that “Member States must be able, by 2003, to deploy within 60 days and sustain for at least 1 year military forces of up to 50, 000-60,000 persons capable of the full range of Petersberg tasks,”¹⁵¹ The EU agreed that “[t]hese forces should be militarily self-sustaining with the necessary command, control and intelligence capabilities, logistics, other combat support services and additionally, as appropriate, air and naval elements.”¹⁵²

In contrast with their approach to some EU activities, the EU states are pursuing the ESDP on an intergovernmental basis. Consequently, authority over the use of military force is retained by the individual countries. The ESDP process “does not involve the establishment of a European army”¹⁵³ or even a standing European Rapid Reaction Force. The troops declared relevant to the headline goal “would remain in their peacetime deployments and under national command.”¹⁵⁴

Another common misunderstanding concerning the forces needs to be clarified. The troops declared available for the ESDP are existing ones, not newly established units; and there was no suggestion that these units would be separated from the ones declared to NATO. The European Union countries had no extra forces, and some of them had already assigned all their existing forces to NATO in the integrated military system.¹⁵⁵

¹⁵⁰ Ibid., p. 113.

¹⁵¹ Presidency Conclusions, European Council, Helsinki, in Maartje Rutten ed., *From St-Malo to Nice*, p. 82.

¹⁵² Presidency Progress Report to the Helsinki European Council on Strengthening the Common European Policy on Security and Defence in *ibid.*, p. 85.

¹⁵³ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 176.

¹⁵⁴ Quinlan, p. 39.

¹⁵⁵ Ibid., pp. 38-39.

One of the most delicate issues concerning the future of the European Union's planning process has been the mechanism for force planning. To be able to perform the full range of Petersberg tasks and match ambitions with tangible military capabilities the EU needs an effective force planning mechanism. It was clear from the beginning that the WEU defense planning mechanism (Forces Answerable to WEU or "FAWEU" database) would not be sufficient to conduct the EU's force planning. The question was whether to employ NATO's well-established force planning system or to establish a comparable but separate EU planning process.¹⁵⁶

On the one hand, since France does not participate in NATO integrated military force planning, Paris did not favor the first option and argued for independent European Union defense planning. On the other hand, NATO nations are reluctant to set up a separate EU planning process parallel to the NATO Defence Planning Process (NDPP) or the Planning and Review Process (PARP) available to the Partnership for Peace countries and their national military planning systems.¹⁵⁷

Following the spirit of the Helsinki and Feira declarations a Headline Goal Task Force (HTF) was established in order to develop "the Headline and collective capabilities goals...in accordance with the decision-making autonomy of the EU as well as the requirements regarding military efficiency."¹⁵⁸ The June 2000 Feira report called for close consultation among the EU Member States and required coherence with NATO's defense planning process and the Planning and Review Process.

With the help of NATO experts (HTF Plus), the EU further elaborated its needs in terms of military capabilities to meet the headline goal. By the summer of 2000 a 120-page catalogue (Force Catalogue) had been proposed. The catalogue helped the EU nations to identify the military requirements, and they made pledges to meet many of them at the Capabilities Commitment Conference on 20 November 2000. The conference was considered broadly successful as the EU countries offered considerably more than

¹⁵⁶ Heisbourg, *European Defence: Making it Work*, p. 89.

¹⁵⁷ Ibid.

¹⁵⁸ Presidency Conclusions, European Council, Santa Maria da Feira, 19-20 June 2000, in Maartje Rutten ed., *From St-Malo to Nice*, p. 123.

some observers had expected: 100,000 troops, 100 ships, and 400 aircraft for the Helsinki Force Catalogue.¹⁵⁹ (Table 1)¹⁶⁰

Table 1.

Force Pledges of the EU member nations, at the November 2000 EU Capabilities Commitment Conference

EU nations:	Forces:
Germany	13,500
United Kingdom	12,500
France	12,000
Italy	6,000
Spain	6,000
Netherlands	5,000
Greece	3,500
Austria	2,000
Finland	2,000
Sweden	1,500
Belgium	1,000
Ireland	1,000
Portugal	1,000
Luxembourg	100
Total:	67,100

It was obvious to both NATO and EU leaders that maintaining two separate planning systems could cause serious tension between the organizations. The argument for close cooperation was perhaps best articulated by U.S. Secretary of Defense William Cohen at the NATO informal ministerial meeting in Birmingham in October 2000. Secretary Cohen made a proposal for the design of an effective planning system, based primarily on the idea of a single process fully open to every NATO and EU country

¹⁵⁹ Quinlan, p. 42.

¹⁶⁰ Schake, p. 4. It should be noted that, despite reports of a commitment of 100,000 troops, in reality the EU member nations pledged only 67,100 troops, as indicated in Table 1.

(twenty-three in all).¹⁶¹ “In regard to defense planning, which would not be directly affected by crisis operations, we would envision a unitary, coherent, and collaborative approach that meets the needs of both NATO and the EU. I could very well imagine this unitary approach taking the form of a ‘European Security and Defense Planning System,’ or ‘ESDPS’.”¹⁶² However, the Turkish decision at that time to block NATO consensus halted the negotiation and complicated the dialogue between NATO and the EU.

At the same time, NATO and the EU established an efficient working relationship through the HTF Plus format. “In order to avoid unnecessary duplication,” - says the declaration of the Capabilities Commitment Conference,

it will, for the Member States concerned, rely on technical data emanating from existing NATO mechanisms such as the Defence Planning Process and the Planning and Review Process (PARP). Recourse to these sources would be had, with the support of the EU Military Staff (EUMS), via consultations between experts in a working group set up on the same model as that which operated for the drawing up of the capabilities catalogue (HTF Plus). In addition, exchange of information and transparency would be appropriately ensured between the Union and NATO by the Working Group on Capabilities set up between the two organisations, which would take steps to ensure the coherent development of EU and NATO capabilities where they overlap.¹⁶³

In light of the above, in December 2000 the European Council at Nice defined a mechanism for future EU force planning. The Appendix to Annex I to Annex VI, entitled “Achievement of the Headline Goal Review Mechanism for Military Capabilities,” elaborates both the EU review mechanism and the EU evaluation process. The review mechanism has three specific aims:

(a) to enable the EU to monitor and facilitate progress towards the honouring of undertakings to achieve the overall goal, in both quantitative and qualitative terms;

¹⁶¹ Quinlan, p. 45.

¹⁶² Secretary of Defense William S. Cohen, remarks at the informal NATO defense ministerial meeting in Birmingham, 10 October 2000.

¹⁶³ Capabilities Commitment Conference, Brussels, 20-21 November 2000 in Maartje Rutten ed., *From St-Malo to Nice*, p. 161.

(b) to enable the EU to evaluate and, if necessary, to review its defined capability goals in order to meet the requirements of the full range of Petersberg tasks in the light of changing circumstances;

(c) to help to achieve consistency between the pledges undertaken in the EU framework and, for the countries concerned, the headline goal force agreed to in the context of NATO planning or the Partnership for Peace (PfP).¹⁶⁴

The review mechanism has to pay particular attention to the preservation of the EU's autonomy in decision making, while transparency, simplicity and clarity are also essential in order to enable comparisons among the Member States. The process has to respect "the political and voluntary nature of the commitments" and at the same time it has to be flexible to adapt to newly identified needs.¹⁶⁵ The EU-NATO dialogue should be maintained to ensure the compatibility of the EU and NATO commitments, to reinforce the Alliance's Defense Capabilities Initiative, and to avoid unnecessary duplications.

Concerning the EU evaluation process the Appendix states that "The process will continue to be based on the method used with success initially in the elaboration of the headline goal, in particular the involvement of Member State and NATO experts through expert groups based on the Headline Task Force/Headline Task Force Plus (HTF/HTF Plus) format, with the EUMS assisting in the process of elaborating, evaluating and reviewing capability goals in accordance with its remit."¹⁶⁶

In the newly established EU structure, the EUMS will monitor force planning with the assistance of NATO expertise in the HTF Plus format. The EUMS functions under the direction of the EU Military Committee, which is required to report shortcomings and make recommendations to the PSC regarding the fulfillment of the national pledges. The working group on EU/NATO capabilities is also supposed to

¹⁶⁴ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 182.

¹⁶⁵ Ibid.

¹⁶⁶ Ibid., p. 183.

facilitate the transparent exchange of information and the dialogue between the two organizations.¹⁶⁷

A possible division of labor may be at hand concerning defense planning. It appears that in the near future the EU will be able to conduct strategic planning, including generic planning for the full scale Petersberg tasks. In the meanwhile, NATO will continue force planning in close cooperation with the EU. The EU does not, however, have operational force planning capability. Operational planning will be carried out either by using NATO planning resources or at national headquarters.

¹⁶⁷ Ibid., p. 184.

V. THE ESDP'S MAJOR CHALLENGES

The EU's ESDP faces three major challenges: the lack of a Strategic Concept, the insufficient defense budgets of the EU member states, and the capability gap between the EU member states (and the non-EU NATO European allies) and the United States. This chapter examines these challenges in relation to a more specific one: the achievement of an autonomous European Union defense planning capability.

A. LACK OF AN EU STRATEGIC CONCEPT

The most immediate challenge is to develop at least some sort of Strategic Concept explaining the strategic goals of the European Union and how it intends to achieve them. First of all, there is an overlap between NATO and the EU in that both organizations have expressed a willingness to undertake all of the so-called "Petersberg tasks" missions. In 1992 NATO announced its willingness to conduct peacekeeping operations on a case-by-case basis under the authority of the United Nations or what was then called the Conference on Security and Cooperation in Europe (CSCE), which was renamed the Organization for Security and Cooperation in Europe (OSCE) in 1994.¹⁶⁸ In the last decade the Alliance has proved to be the only organization capable of bringing stability and peace to the Balkans.

According to the European Council decisions at Nice, "NATO remains the basis of the collective defence of its members and will continue to play an important role in crisis management."¹⁶⁹ The European Council also approved the following description of its goals for the ESDP:

In developing this autonomous capacity to take decisions and, where NATO as a whole is not engaged, to launch and conduct EU-led military operations in response to international crises, the European Union will be able to carry out the full range of Petersberg tasks as defined in the Treaty on European Union: humanitarian and rescue tasks, peace-keeping tasks

¹⁶⁸ Yost, NATO Transformed, p.76.

¹⁶⁹ Presidency Conclusions, European Council, Nice, in Maartje Rutten ed., From St-Malo to Nice, p. 169.

and tasks of combat forces in crisis management, including peacemaking.¹⁷⁰

So far the European Union has rigidly stuck to the Peterberg tasks formula – that is, expecting the EU’s military forces to become capable of accomplishing the full range of Petersberg tasks, “including the most demanding.”¹⁷¹ This formula is hardly sufficient as a description of the EU’s ambitions. For example, the full range of Petersberg tasks could be construed as embracing all kinds of military operations intended to restore peace, including military interventions such as the Korean War (1950-53) and the Gulf War (1990-1991). Even a serious humanitarian intervention could call for large-scale expeditionary forces.¹⁷²

It is hard to believe that the EU member states considered the above-mentioned examples as models for common EU military action. According to Heisbourg, the European Union nations are fairly divided concerning the EU’s security role. Nations with an imperial legacy, such as Britain and France, have an extravert tendency to be prepared for major collective peacekeeping and peacemaking operations on a global scale. At the other end of the spectrum are the four non-allied, neutral EU countries, (Austria, Finland, Ireland and Sweden), which are reluctant to participate in peace enforcement operations. The rest of the EU countries lie between these two extremes.¹⁷³

The Petersberg tasks formula does not make a clear distinction between “upper” and “lower” level tasks as the relevant NATO documents do. According to the AJP-01(b) and AJP3.4.1’PSO’ NATO documents, lower order operations are basically non-combatant operations and upper level operations imply the employment of military combat means.¹⁷⁴ By contrast EU member states consider the lower level Petersberg Tasks “neither politically sensitive nor militarily demanding,” while the King’s College London research group defined “the upper level of the Petersberg Tasks are ‘those

¹⁷⁰ Ibid., p. 168.

¹⁷¹ Heisbourg, *European Defence: Making it Work*, p. 80.

¹⁷² Ibid., p. 22.

¹⁷³ Ibid., p. 21.

¹⁷⁴ *Achieving the Helsinki Headline Goals*, Centre for Defence Studies, King’s College London, Discussion Paper, November 2001. para. 3.1-3.3

activities which the Europeans acting under the auspices of the EU, are prepared to, or would like to be able to, perform, short of national territorial defence’.”¹⁷⁵ In short, the Petersberg task terminology is “not distinguished by the levels of force involved but rather the description, and the mandate, of the mission itself.”¹⁷⁶

Furthermore, proponents of the Petersberg Tasks envision three types of EU military operations: large-scale or “Kosovo-type” operations that NATO would probably conduct, medium-scale operations which would require the EU to rely on NATO assets, and small-scale actions that the EU could handle on its own.¹⁷⁷ There is, however, a major difference in the approaches of the two leading European nations. While the British are inclined to put more emphasis on the first two types of operations, the French tend to concentrate on the “more autonomous” latter two tasks.¹⁷⁸

Additionally, a major difference concerns geographical boundaries. NATO has clearly defined boundaries for the application of Article 5 obligations in Article 6 of the Washington Treaty, while the EU’s ESDP – as articulated in the Petersberg Tasks – does not have geographical boundaries.¹⁷⁹ France clearly intends to promote the EU’s development as a global actor, while the United Kingdom insists that ESDP should strengthen rather than challenge NATO.¹⁸⁰

The European Union has “a hypothesis of a theater off operations 4,000 kilometers distant from European bases.”¹⁸¹ This is hardly sufficient, in view of the statements made by some European leaders. The EU High Representative for Common Foreign and Security Policy, Javier Solana, “is already talking about an EU which might want to act in Africa as well as in East Timor, and German Chancellor Gerhard Schröder

¹⁷⁵ Ibid., para. 3.5

¹⁷⁶ Ibid., para. 3.6

¹⁷⁷ Howorth, “Britain, France, and the European Defence Initiative,” p. 39.

¹⁷⁸ Ibid.

¹⁷⁹ Yost, “The NATO Capabilities Gap and the European Union,” p. 113.

¹⁸⁰ Howorth, “Britain, France, and the European Defence Initiative,” p. 45.

¹⁸¹ Quinlan, pp. 73-74.

has argued that ‘[t]he Europe of the future must be able to defend its interests and values effectively worldwide.’”¹⁸²

The future of Article V of the Brussels Treaty, as modified in 1954, is also uncertain. The Amsterdam Treaty declares that one of the objectives of the European Union is “the eventual framing of a common defence policy, which might in time lead to a common defence.”¹⁸³ According to Jolyon Howorth, Paris would prefer to “deep freeze” the issue; this would allow France to revive it if necessary in the future. In contrast, the UK holds that Article V of the Brussels Treaty is irrelevant “since collective defence is covered by NATO’s Article 5.”¹⁸⁴

B. EUROPEAN DEFENSE BUDGETS.

A more practical facet of the work on ESDP is the readiness of EU members to invest in the new project. This is much easier said than done. The provision of resources for the ESDP project would require both an increase and restructuring of defense budgets – issues that most governments are usually reluctant to raise due to public sensitivities. This is another of the pitfalls facing the ESDP. The tables with the defense expenditure of West European NATO member states, with the notable exception of Greece, show a general trend toward a reduction in the resources allocated for defense. (Table 2)¹⁸⁵

¹⁸² Peter van Ham, “Europe’s New Defense Ambitions: Implications for NATO, the US, and Russia” The Marshall Center Papers No.1 p. 23.

¹⁸³ The Amsterdam Treaty, Comprehensive Guide, Fact Sheet available at: www.europa.eu.int/scadplus/leg/en/lvb/a19000.htm

¹⁸⁴ Howorth, “Britain, France and the European Defence Initiative,” p. 41.

¹⁸⁵ Howorth, European Integration and Defence, p. 43.

Table 2.

Defence budgets and procurement spending in West European NATO members
and the United States, 1995-99

Constant 1997 \$USm	Defence budget				
	1995	1996	1997	1998	1999
W Europe					
Belgium	3,534	3,186	2,806	2,723	2,588
Denmark	3,250	3,099	2,726	2,652	2,395
France	42,240	37,861	32,711	30,703	28,353
Germany	34,625	32,745	26,641	26,002	23,790
Greece	3,473	3,598	3,648	3,867	3,675
Italy	16,619	20,680	18,237	17,495	15,609
Luxembourg	128	124	109	105	98
Netherlands	8,775	8,249	6,992	6,869	6,797
Norway	3,901	3,820	3,597	3,099	3,070
Portugal	1,869	1,755	1,698	1,554	1,564
Spain	7,243	7,014	5,942	5,888	5,464
UK	35,725	34,196	35,736	36,111	33,254
Subtotal	161,382	156,327	140,843	137,068	126,657
US	274,624	271,739	257,975	253,423	252,379
Total	436,006	428,066	398,818	390,491	379,0

Constant 1997 \$USm	Equipment procurement				
	1995	1996	1997	1998	1999
W Europe					

Belgium	293	217	192	203	183
Denmark	406	384	339	351	322
France	7,952	7,588	6,465	5,620	5,242
Germany	3,969	3,705	2,956	3,455	3,715
Greece	1,022	1,146	1,146	1,287	1,273
Italy	1,642	2,026	2,100	2,394	1,905
Luxembourg	3	7	6	5	5
Netherlands	1,338	1,578	1,324	1,581	1,380
Norway	826	839	906	773	691
Portugal	140	263	352	365	400
Spain	998	1,243	1,012	781	744
UK	7,334	8,189	8,466	9,354	8,263
Subtotal	25,923	27,185	25,264	26,169	24,123
US	46,251	43,332	42,930	43,887	47,052
Total	72,174	70,517	68,194	70,056	71,175

As the result of the reduction, the EU member states spend 60% of the US total (\$126 billion against \$252 billion in 1999). It is hard to imagine a swift reverse in this trend in the short term. But even with a view to the long-term defense budget development it is impossible to foresee an increase unless currently unanticipated events convince EU governments that more spending is necessary. Without such decisions the ESDP project may remain confined to limited practical development as well as to elaborate institutional mechanisms within the EU and between the European Union and NATO.

The Europeans not only spend smaller proportions of their GDPs on defense, but they also spend these smaller amounts less efficiently. They spend significantly more on

personnel and less on procurement than the United States.¹⁸⁶ The most striking example concerns Germany, Greece and Italy, which have forces that total 760,000, which is 55% of the US forces, whereas they collectively spend only 10% of the American expenditure on procurement. As a result the EU countries spend around half of what the United States devotes to equipment purchases.¹⁸⁷

Burdensharing has been a delicate issue since the beginning of the Alliance. Although the Europeans are reluctant to increase their military budgets, they play a greater role than the United States in providing financial assistance to Central and Eastern Europe as well as in peacekeeping in the Balkans. In 1991-1997, Germany provided \$15 billion in loans and grants to the Central and Eastern European countries, including the former Soviet republics. The second largest donor was the United States with \$11.7 billion in aid to the region.¹⁸⁸ One of the reasons might be that the EU countries are inclined to respond to the new challenges by promoting dialogue, stimulating economic activity, and providing financial aid rather than by using military force. According to a recent article about EU-US policy differences, “[T]he European Union spends about \$30 billion a year on development assistance, nearly three times the U.S. figure.”¹⁸⁹

The EU has also played a greater role than the United States in providing economic assistance and peacekeeping support in the Balkans. As NATO Secretary General Robertson said in April 2000:

In Kosovo, European nations are providing 80% of all the forces for the KFOR peacekeeping force, with the largest troop contributor being Italy. Out of an allied force of about 45,000 troops, the U.S. now provides 6,000.

European nations are, as they promised picking up the lion’s share of reconstruction efforts in the Balkans. The European Union has provided about \$16.5 billion to this region since 1991 and has budgeted nearly \$12 billion for the next six years. Although the U.S. is the single largest

186 Yost, “The NATO Capabilities Gap and the European Union,” p. 100.

187 Heibourg, *European Defence: Making it Work*, p. 97.

188 NATO Burdensharing After Enlargement, (Washington, D.C.: Congressional Budget Office, August 2001), p. 15.

189 Keith B. Richburg, “Europe, U.S. Diverging On Key Policy Approaches,” *Washington Post*, 4 March 2002.

provider of troops for the international police force in Kosovo, at roughly 15%, the EU countries provide 40%.¹⁹⁰

It is also noteworthy that NATO established a well-balanced budget system during the Cold War to finance the Alliance's common costs. Although NATO mainly relies on the military contributions of the member nations, it has a common budget of approximately \$800 million a year, which covers three major areas: the civil budget, the military budget, and the NATO Security Investment Program (NSIP). This budget pays for the Alliance's civil and military headquarters as well as for the improvement of the infrastructure. European nations, especially Germany (19.6%) and the UK (15.5%), made major contributions, while the U.S. share was set around 25% in 1951.¹⁹¹ For example, over the last ten years ending in 1999, the US facilities received approximately \$4.1 billion from the NSIP, while the United States contributed \$2.7 billion to the program.¹⁹²

Burdensharing issues will certainly emerge among the EU Member States. Since the force commitments are based on voluntary national contributions, it is extremely difficult to persuade the member nations to spend more on defense than they intend to spend. Depending on their definition of the requirements of the Petersberg tasks, the estimates of experts range from \$32 billion to \$42 billion in defense investment increases over the next decade. An extra \$25 billion will also be required for collective investments over the same period with an increase of about 10% for new military equipment.¹⁹³

According to a recent Rand Study, "Apart from resources that might be generated from economic growth, a second source could, in principle, be reallocations in existing government budgets from nondefense to defense purposes – for example, from public subsidization of agriculture or from various entitlements."¹⁹⁴ However, the RAND authors admit that large increases in the defense budgets are highly unlikely. Funding

¹⁹⁰ Speech by NATO Secretary General, Lord Robertson "NATO isn't just a one-way street for the United States," 6 April 2000. available at: www.nato.int/docu/articles/2000/a000406a.htm

¹⁹¹ NATO Burdensharing After Enlargement, p. 24.

¹⁹² Ibid., p. 27.

¹⁹³ Achieving the Helsinki Headline Goals, para. 7.1-7.3 and 10.4-10.6

¹⁹⁴ Charles Wolf, Jr., Benjamin Zycher, European Military Prospects, Economic Constraints, and the Rapid Reaction Force, (Santa Monica, Rand, 2001), p. 33. available at: www.rand.org/publications/MR/MR1416/

might also be derived from “the reallocation of existing military spending and military investments from their somewhat ‘backward-looking’ focus –for example, on heavy tanks, artillery, surface ships, etc., all relating to World War II imagery – to a more forward-looking, high-technology, C4I, air-mobile, and deployable set of capabilities.”¹⁹⁵ The problem with this suggestion is that it would require further investments and could cause significant layoffs in the European defense industry. Although the suggestion is reasonable in a long term perspective, it would require changes in the perceptions of the Europeans about probable military operations.

Considerable savings could be realized by replacing national procurement with a supranational arrangement. Liberalized and competitive bidding could result in a 10 to 17% annual savings in defense procurement, which would be approximately \$10 to \$15 billion in savings annually.¹⁹⁶ Despite the permanent debate relating to multinational production and procurement in Europe, there are indeed some promising signs, like the Eurofighter and the Airbus A-400M projects. The \$30 billion program to produce 620 Eurofighter aircraft begins in 2002 as a joint venture of Germany, Italy, Spain and the United Kingdom. Seven European allies have pledged to co-produce and purchase 225 A-400M Airbus transport aircraft by 2007.¹⁹⁷

The French Minister of Defence, Alain Richard, suggested at a meeting in Sintra on 28 February 2000 a figure of 0.7% of GDP for acquisition of equipments as a goal for EU member nations. If the British benchmark of procurement (39.6%) became the EU average, “overall capital spending would jump from \$35.6 bn to \$52.1 bn.”¹⁹⁸ Moreover, François Heisbourg has pointed out, “If the EU 15 spent 0.7 per cent of their GDP (\$8,500 bn) on equipment (including R&D)...the aggregate would be close to \$60 bn, versus \$36.5 bn today (and compared with a US total of \$82.4 bn).”¹⁹⁹

C. CAPABILITIES

¹⁹⁵ Ibid.

¹⁹⁶ Ibid., p. 34.

¹⁹⁷ NATO Burdensharing After Enlargement, p. 19.

¹⁹⁸ Heisbourg, *European Defence: Making it Work*, p. 99.

¹⁹⁹ Ibid.

It became evident during NATO's intervention in the Kosovo conflict in 1999 that the military capabilities gap between the United States and its NATO European Allies was significant. The United States conducted 80% of the strike sorties and provided 90% of the air-to-air refueling capability. Furthermore, the United States was in many cases the only nation (or almost the only one) able to provide offensive electronic warfare, airborne command and control, all-weather precision guided munitions, and mobile target acquisition. An average of three American support aircraft was needed for every European strike sortie.²⁰⁰ The European shortfalls were sobering. As a RAND study concluded, "lack of advanced munitions and of specialized support aircraft marginalized the allies' contribution to the air war over Yugoslavia."²⁰¹

Explanations for the gap reside in a combination of historical and economic factors. For decades NATO European troops prepared for war somewhere in the heart of the continent. In contrast with the United States, which had to send reinforcements across the Atlantic Ocean, most Europeans did not need force projection capabilities: the enemy was expected to come to them.²⁰² History can explain the origins of the current military postures in Western Europe, but it is remarkable that more than ten years after the end of the Cold War in 1989-91 most of the West European militaries are still primarily concerned with territorial defense. This situation has persisted, even though it became obvious in the last decade that new types of security challenges are calling for local military intervention.

The US-European capability gap derives from a combination of technology and investment as well as procurement gaps.²⁰³ The main question is whether the EU's headline goal capabilities will be adequate to enable the EU to conduct full-scale Petersberg task missions. According to François Heisbourg, there are several unanswered questions related to the size of the headline goal force. The 60,000 troops would probably provide only 20,000 combat forces as the rest of the troops would serve in support

200 Yost "The NATO Capabilities Gap and the European Union," pp. 103-104.

201 Richard Sokolsky, Stuart Johnson, and F. Stephen Larrabee, *Persian Gulf Security: Improving Allied Military Contributions* (Santa Monica: RAND, 2001), p. 76. available at: www.RAND.org

202 Yost, "The NATO Capabilities Gap and the European Union," p. 100.

203 Ibid., p. 98.

functions. Such a fighting force would not be sufficient in a non-permissive environment, and in the best case it would be able to conduct a KFOR-type peacekeeping operation. A large-scale peacemaking operation would require 50,000 to 60,000 combat forces, which would imply a headline goal between 150,000 and 180,000.²⁰⁴

Troop sustainability is also a problem, as the member states are required to maintain their contribution for one year in a six-month rotation. This means that in reality the member countries are required to sustain at least two reserve units for each unit deployed. Owing to the fact that many of the EU countries still rely on conscription, only a limited number of professional soldiers are available. For constitutional reasons the conscripts in most countries can be used only for collective self-defense, which makes the availability of the forces for peacekeeping and other interventions also questionable.²⁰⁵

Important differences persist between the American and the European approaches to military operations. The American military forces rely more heavily on technology and less on troops on the ground than do their European counterparts. In some circumstances, a separate EU force would represent a traditional “low-tech” force largely composed of conscripts, while the United States would organize a large “high-tech” force with professional soldiers.²⁰⁶

Besides increasing the number of its rapidly deployable troops, the EU also needs to make progress in developing the capabilities required for the most demanding Petersberg missions. The November 2000 Capability Commitment Conference identified several areas “in which efforts will be made in upgrading existing assets, investment, development and coordination so as gradually to acquire or enhance the capabilities required for autonomous EU action.”²⁰⁷ Some EU Member States have decided “to develop and coordinate monitoring and early warning military means; - to open existing joint national headquarters to officers coming from other Member States; - to reinforce the rapid reaction capabilities of existing European multinational forces; - to prepare the

²⁰⁴ Heisbourg, *European Defence: Making it Work*, p. 80.

²⁰⁵ Ibid.

²⁰⁶ Schake, p. 5.

²⁰⁷ Military Capabilities commitment Declaration, European Council, Nice, Annex I to Annex VI, para. 3, in Maartje Rutten ed., *From St-Malo to Nice*, p. 177.

establishment of a European air transport command; - to increase the number of readily deployable troops; - and to enhance strategic sea lift capacity.”²⁰⁸

The declaration elaborates on the current situation and the work ahead. According to the document, there are two areas in which the EU has made significant progress. In the area of command, control and communications (C3) “the Member States offered a satisfactory number of national or multinational headquarters at strategic, operational, force and component levels.”²⁰⁹ The other area is intelligence, in which “apart from the image interpretation capabilities of the Torrejon Satellite Centre,”²¹⁰ the member states pledged to put some of their national resources at the EU’s disposal. However, both C3 and intelligence sharing need further improvement.

Additionally, Member States committed themselves to continue military reforms to improve the availability, deployability, sustainability and interoperability of their armed forces. These efforts will include “strengthening essential operational capabilities,”²¹¹ such as search and rescue, defense against ground-to-ground missiles, precision weapons, logistic support, and simulation tools. Major projects, such as the Future Large Aircraft (Airbus A 400M), maritime transport vessels, and Troop Transport Helicopters (NH 90), have been launched in the European armaments industry. Moreover, some Member States announced their intention to “acquire equipment to improve the safety and efficiency of military action,” while others “undertook to improve the Union’s guaranteed access to satellite imaging.”²¹²

Despite the newly established communications links of communication between NATO and the EU, NATO’s Defence Capabilities Initiative (DCI) and the EU’s Headline Goal differ in some key areas. NATO’s DCI originated in a U.S. proposal, and it was approved by the allies in April 1999 at the Washington Summit. The allied nations pledged to improve their military capabilities in five vital areas: (1.) deployability and mobility, (2.) sustainability and logistics, (3.) effective engagement capability (4.)

²⁰⁸ Ibid.

²⁰⁹ Ibid., p. 178.

²¹⁰ Ibid.

²¹¹ Ibid., p. 179.

²¹² Ibid.

survivability of the forces and (5.) command, control, and information systems. NATO's DCI places more emphasis on "effective engagement."²¹³ According to a NATO Press Release, "In this context, increased attention must be paid to human factors (such as common approaches to doctrine, training and operational procedures) and standardization."²¹⁴ Power projection, precision munitions, defenses against biological and chemical weapons, defenses against cruise and ballistic missiles, and electronic warfare also play a larger role in NATO's DCI than in the EU's plan.²¹⁵ This may be partly attributed to the fact that NATO still has collective defense responsibilities. Article 5 operations might be more demanding than the Petersberg Tasks, at least in some circumstances.

The intention of the EU to make efforts in "upgrading existing assets, investment, development and coordination so as gradually to acquire or enhance the capabilities required for autonomous EU action"²¹⁶ is directly related to the size of defense budget allocations for this purpose. Today only France and the United Kingdom have sufficiently large defense budgets and extensive research, development and procurement programs to ensure notable progress in this direction. EU members must recognize that if the ESDP is to come to fruition they will all have to invest in it.

213 Washington Summit Communiqué, para. 11.

214 Defence Capabilities Initiative, NATO Press Release, 25 April 1999, para. 4.

215 Yost, "The NATO Capabilities Gap and the European Union," p. 119.

216 Military Capabilities Commitment Declaration, European Council, Nice, in Maartje Rutten ed., *From St-Malo to Nice*, p. 177.

THIS PAGE INTENTIONALLY LEFT BLANK

VI. CONCLUSION

Following World War II, NATO succeeded in establishing an effective defense planning process and created an integrated military system. The Alliance's multilateral planning process, based on transparency and consultation among the members, enabled the Western European allies to focus on economic recovery during the 1950s and 1960s. However, it failed to ensure balanced burden-sharing and the development of robust military postures by all of its European members. It was the permanent Soviet threat and America's commitment to Europe that sustained NATO during the Cold War.

At the end of the Cold War NATO responded quickly to the new political-military challenges and proved to be the most effective organization dealing with security matters in Europe. During the course of the 1990s the NATO Allies agreed that the European Allies should play a larger role in international security affairs. The Alliance established an official relationship with the WEU providing for defense planning and WEU access to NATO assets and capabilities. However, the March-June 1999 Kosovo campaign convinced key European Union leaders that more should be done. The European Council decided in 1999 that the European Union must develop the capabilities necessary to cope with humanitarian crises and to perform other operations known as the Petersberg Tasks. The focus thus shifted from the ESDI (European Security and Defense Identity), implying more European capability within NATO, to ESDP (European Security and Defense Policy), implying autonomous EU capabilities in close cooperation with NATO.

Whereas NATO was initially formed in response to a specific threat, the EU's ESDP is being organized to perform the generic missions known as the Petersberg Tasks. The lack of a tangible foreign threat and insufficient defense budgets make the prospects for success of the ESDP uncertain. It is not clear how committed to ESDP development are the United Kingdom and France, the two leading powers behind it. It is too early to conclude that the United Kingdom has given up its Atlanticist convictions for the sake of the European Union. Indeed, the British clearly intend to preserve and enhance NATO while developing the EU's ESDP. France, on the other hand, is striving to minimize the influence of NATO in EU affairs. Turkey, an influential member of NATO and a

candidate for EU membership, wants to have a greater voice in EU decisions and operations affecting international security, particularly in Turkey's vicinity.

Defense planning is vital because the arrangements in this regard will influence the future of the EU and NATO as well as the transatlantic relationship. An official relationship has been established between NATO and the EU, and this has enabled the two organizations to conduct negotiations about institutional mechanisms for effective cooperation. It seems that the EU's defense planning capability will be limited in certain ways. The Nice Presidency Conclusion implies that the EU strategic planning will be conducted by the EUMS under the supervision of the EUMC and in close cooperation with NATO's International Military Staff. The EU will not establish a standing command structure analogous to NATO's SHAPE. Operational planning for an EU-led operation is supposed to be provided either by NATO staff under the guidance of the DSACEUR or by a lead nation among the participating EU nations.

The Nice document contains the EU's proposal for institutionalizing NATO-EU relations. This proposal has not yet been approved by NATO. Some NATO Allies may have concerns because the proposal excludes the non-EU European Allied nations from the EU's strategic planning and limits their role in decision-making about the conduct of EU-led operations, although officially it declares that the EU will not conduct military operational planning. In view of the democratic political systems of both the NATO and EU nations as well as the already existing cooperation between NATO and the EU, the EU's defense planning activities probably will not have a major impact on NATO's decision-making structures and defense planning process. The EU nations recognize NATO's primary role in European security matters. They have declared that the EU will only take action when the Alliance as a whole is not engaged militarily. The cooperation between EU and NATO experts will, it may be hoped, have positive effects, notably in promoting more efficient use of scarce European resources and in providing transparency between the Alliance and the European Union.

However, the ESDP appears unlikely to persuade the European Union nations to increase their defense budgets. It will therefore probably not be able to narrow the

significant capability gap between the United States and its European allies. Although the ESDP's objectives are less ambitious than those of the Alliance, performing the upper level Peterberg tasks would require military capabilities similar to those of the Alliance. The fledgling defense planning activities in a cooperative framework by NATO and the EU have an important function in avoiding unnecessary duplication, but these activities will not be able to boost the military spending of the Europeans. That would require political will.

THIS PAGE INTENTIONALLY LEFT BLANK

DISTRIBUTION LIST

1. Defense Technical Information Center
Ft. Belvoir, Virginia
2. Dudley Knox Library
Naval Postgraduate School
Monterey, California
3. David S. Yost
Naval Postgraduate School
Monterey, California
4. Tjarck Roessler
Naval Postgraduate School
Monterey, California
5. Stephen Garrett
Naval Postgraduate School
Monterey, California
6. Vedelemropolitikai Helyettes Allamtitkar
Honvedelmi Miniszterium
Budapest
Balaton u. 7-11
Hungary 1055
7. Istvan Gyarmati
EastWest Institute
700 Broadway, New York
NY 10003
8. LTG William H. Reno
The Wexford Group
8381 Old Courthouse Road, Suite 211
1125 Vienna, Virginia 22182
9. Arpad A. Szurgyi
Science Applications International Corporation
Budapest
Lorant u. 5
Hungary
10. Tas Kelemen
Budapest

Jozsef Nador ter 10
Hungary 1051